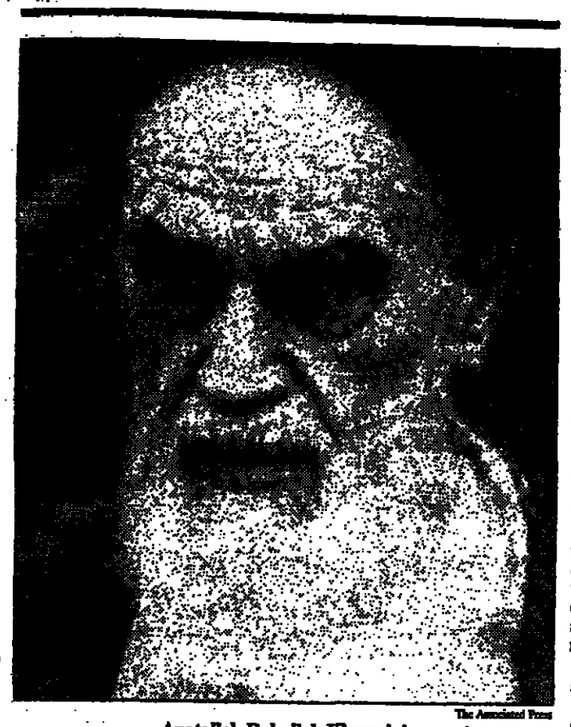
MONDAY SPORTS
FRENCH OPEN UPSETS
See Page 14

International Herald Tribune

Published With The New York Times and The Washington Post

No. 33,056 23/89 ** PARIS, MONDAY, JUNE 5, 1989 ESTABLISHED 1887

Army, Firing at Beijing Crowds, Tightens Grip; Hundreds Are Dead in Ongoing Capital Chaos



The Associated Press

Ayatollah Ruhollah Khomeini

Khamenei Named As Successor After Death of Khomeini

By Youssef M. Ibrahim
New York Times Service

VIENNA — President Ali Khamenei was chosen as supreme religious leader of Iran on Sunday to replace Ayatollah Ruhollah Khomeini.

The swift movement of an 83-member council of theological experts to fill the void left by the ayatollah, who died on Saturday night, may be meant as a signal by the clergy that it is in control and able to arrange an orderly transition.

Yet, while the appointment ensures a measure of continuity for the Islamic revolutionary regime, Mr. Khamenei, who has been president for almost eight years, cannot match the degree of authority that the ayatollah held for decades over the Iranian masses.

The death of Ayatollah Khomeini leaves one of the Middle East's largest and most populous nations with a weakened leadership and much of the world uncertain about Iran's domestic and foreign policies.

The ayatollah, who was believed to be 89, was a larger-than-life figure in the Iranian political scene and among Shiite adherents in Lebanon.

His place can hardly be filled by lesser politicians in the clergy, who are certain to spend weeks and months attempting to reshape the political map and to settle political accounts with fights and intrigues.

In addition, neither Mr. Khamenei — who has firmly aligned himself with the wing of the clergy that favors pragmatic policies — nor the other two principal contenders for power possess the high degree of religious distinction accumulated by Ayatollah Khomeini over 60 years of political struggle and Islamic jurisprudence.

The ayatollah is referred to as a marjeh, or an authority in Islamic

See IRAN, Page 4

Deng Makes His Choice

By Jim Hoagland
Washington Post Service

PARIS — China's Communist leadership has willfully put in jeopardy nearly two decades of improved economic and political relations with Western democracies and Japan by embarking on a bloody repression of peaceful stu-

NEWS ANALYSIS

dent demonstrations that had won respect and sympathy around the world.

With its authority being flouted in a humiliating way by the students, the hard-line faction in control of the Beijing government has demonstrated its intention to retain absolute power and halt any movement toward democracy.

In doing so, the government has sacrificed China's year-old status as the Third World's largest recipient of new foreign investment and the government's hard-won reputation as a reliable, pragmatic partner.

"They have made their choice, and they had to know what the consequences of that choice would be in terms of shutting off new investment and technology flows," said Edward Friedman, a China scholar and professor of political science at the University of Wisconsin in a telephone interview.

"There may well be people in the leadership," he said, "who may want to use this crisis to orient China's economy away from the West."

The condemnation of the bloodshed voiced Saturday by President George Bush was echoed Sunday in other Western capitals.

But the consequences of the bloodbath unleashed by the faction headed by the senior leader, Deng Xiaoping, and Prime Minister Li Peng are certain to go well beyond statements of concern from abroad, which appeared to be having little effect in moderating the army's initial destructive sweeps through the city.

The turmoil comes at a critical moment for China's strategic relationship with the two superpowers, which have actively courted Beijing in recent years, and for the Middle Kingdom's role in Asia. In recent years, China has patiently spun a web of diplomatic relationships in the region to give Beijing greater

See ASSESS, Page 5

Reuters (top) Liu Heung-shing/The Associated Press

Armored personnel carriers, above, burning Sunday on a road in western Beijing after being set afire by citizens protesting the army's attack on the pro-democracy demonstrators. Below, a bicyclist, helped by two bystanders, pedaling two wounded persons to a hospital.

Protesters Set Tanks On Fire

By Nicholas D. Kristof
New York Times Service

BEIJING — Army troops fired submachine guns at crowds in several parts of the capital on Sunday as they consolidated their hold on the center of the city after assaulting pro-democracy protesters Sunday at Tiananmen Square. At least 200 people were killed and some estimates put the figure considerably higher.

The bloodshed has left Beijing in chaos. Armored personnel carriers and troop trucks rumbled along debris-filled roads, with soldiers firing automatic weapons in every direction. Smoke filled the sky as workers and students vented frustration and outrage by burning army vehicles wherever they caught them in side streets.

In Hong Kong, outrage and trepidation. Page 5.

Enraged Beijing students plead for the world to know. Page 5.

The number of casualties is unknown and may never be calculated because the government has asked hospitals not to report figures for deaths or injuries. However, based on accounts pieced together from doctors at several hospitals, it appears that at least 200 died in the hospitals and that many other corpses probably were left in the hands of the military.

"We had to concentrate on those who were still living," one doctor said. "We had to leave behind most of those who already were dead."

[Chinese sources told The Associated Press that China's senior leader, Deng Xiaoping, had ordered the assault on the Beijing protesters from a hospital where he is seriously ill with prostate cancer.

[The sources were from the office of Li Xiannian, the former president and now the head of an important advisory body. Officials never have confirmed that Mr. Deng is seriously ill.

["Even if they're functioning out of ignorance, they are still participating and must be suppressed," Mr. Deng, 84, was quoted as saying of the protesters.]

When troops finally seized Tiananmen Square early Sunday morning, they allowed student occupiers to leave peacefully but they then sent tanks to crush the tents and the makeshift encampment that

See CHINA, Page 5

Kiosk

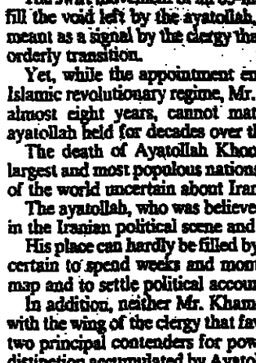
Pope Deplores China Violence

HELSINKI (Reuters) — Pope John Paul II deplored on Sunday the violence in China.

"As Christians," he said, "we hope that these deaths may serve to bring about new life to that great and beloved country."

The pope, who is on a tour of Nordic countries, also said that after the death of Ayatollah Ruhollah Khomeini it was necessary to reflect deeply on how the ayatollah had affected Iran and other parts of the world.

MONDAY Q&A



Reuters-UPI

Robert A. Mosbacher, the U.S. commerce secretary, who foresees a relaxation of trade tensions with Western Europe. Page 2.

General News

In Singapore, there is little tolerance for dissent. Page 7.

Business/Finance

The U.S. economy declined in May, purchasing managers said. Page 9.

Crossword Page 4.

Khomeini: Revolutionary With a Dream

By Raymond H. Anderson
New York Times Service

The Ayatollah Ruhollah Khomeini, Islamic leader of Iran since the overthrow of the U.S.-backed shah in 1979, died Saturday night in Tehran. The ayatollah, founder of Iran's Islamic Republic and long a foe of the West, its politics and its values, underwent surgery in May for intestinal bleeding.

The life of Ayatollah Ruhollah Khomeini was so shadowy, so mixed with myth and rumor, that there was uncertainty about his ancestry, his true name and even his date of birth. He was believed to be 89 years old when he died.

When Ayatollah Khomeini returned from exile on Feb. 1, 1979, after almost 15 years abroad, the aloof man in a black robe with a white beard and intense dark eyes left little doubt about who he was, or what he wanted for his ancient land. He felt a mission to rid Iran of what he saw as Western corruption and degeneracy and to return the nation to Islamic purity.

The Shiite leader's fervor helped drive Shah Mohammed Reza Pahlevi from the Peacock Throne on Jan. 15, 1979, and into foreign exile. The shah's arrival in the United States later that year for cancer treatment was the spark that touched off the embassy hostage crisis.

The ayatollah's policies led to eight years of bloody, costly and inconclusive war between Iran and Iraq, its Arab neighbor. He demanded that the Iranians fight until victory after Iraqi troops struck in September 1980, but he finally agreed to a truce in 1988.

After the Islamic victory over the shah, many Iranians hoped that the ayatollah would turn over power and allow a democratic society to emerge. But he held to his dream of an Islamic republic and retained his Islamic fervor — scuttling a recent tentative opening to the West with his call for the killing of a British author, Salman Rushdie, whose novel "The Satanic Verses" was deemed to have blasphemed Islam.

A month later, he dismissed Ayatollah

See AYATOLLAH, Page 4

Beijing's Citizens 'Have Gone Crazy'

As Troops Rolled In, Residents Tried to Repel Them

By Sheryl WuDunn
New York Times Service

BEIJING — As the crackle of automatic weapons filled the air Sunday on the Avenue of Eternal Peace, tens of thousands of Beijing residents, even the elderly, rushed out to see what they could do to turn back the troops.

"The citizens have gone crazy," said a driver watching as a tank plowed down the main thoroughfare. "They throw themselves in front of the tank, and only when they see it won't stop, they scatter."

The driver himself was shaken by what he had seen: A tank had rammed into an army truck used as a barricade. As the truck turned over, it crushed a man to death. Elsewhere, he had seen three bloodied bodies lying in the street. Several soldiers standing in their trucks were crying.

Students and workers threw beer bottles, gasoline bombs, lead pipes, whatever they could find, at the tanks and armored personnel carriers, which continued rumbling down the avenue.

One tracked vehicle drove back and forth along the east side of the Changan Avenue, as the Avenue of Eternal Peace is known in Chinese, and did not stop when people stood in its path.

Amazement had turned to fear and defiance earlier in the evening when citizens saw the military convoys entering the city. By dark, tension had soared. Hundreds of thousands of people were impelled outdoors by their disbelief and anger, yet brought back to their homes by fear of the violence. The sound of tanks whizzing by and reports of open firing fanned their fears.

"You beasts! You beasts!" shouted the people at the troops.

Around a convoy of about 45 military trucks in the eastern part of the city, people pushed and shoved their way to the troops, shouting and urging them to consider their role as fellow citizens. But the sympathy that had characterized the troops last week was gone; the soldiers seemed to have gained a certain resolve.

"Will you shoot at us if they order you to?" asked some of the people surrounding the truck. The soldiers gave weak assurances that

See BEIJING, Page 5

Dieter Endlicher/The Associated Press

POLISH ELECTION — Lech Walesa, right, with his wife, Danuta, and his son Bogdan left the polls on Sunday in Gdansk after voting in legislative elections. It was the first election in which Solidarity was allowed to participate as an opposition group. Page 2.

500 Die in Urals Pipeline Blast

By Bill Keller
New York Times Service

MOSCOW — A gas pipeline explosion demolished a section of the trans-Siberian railway, engulfing two passenger trains in flames and leaving hundreds of people dead, according to the Tass news agency.

President Mikhail S. Gorbachev and other high Soviet officials on Sunday flew to the Ural Mountain region, where rescue workers were struggling with what Tass called "a major catastrophe."

Tass said that the accident occurred late Saturday night between the cities of Ufa and Asha when a pipeline carrying liquefied natural gas exploded just as the two trains were passing in opposite directions.

A civil defense official estimated Sunday night that the blast killed 500 of the trains' 1,200 passengers. A reporter in the nearby city of Chelyabinsk put the toll at 650.

Mr. Gorbachev, in a television interview late Sunday, said that apparently gas from a leak in the pipeline accumulated in the gully

NYT

through which the trains passed, about 800 meters (about half a mile) from the pipeline. "And a spark set off the explosion," he said. "It was a real hell there."

Visibly frustrated by what he said appeared to be another case of negligence, he added, "I have to say this: I believe we are being persecuted by these events — first one, then another. Many of them are caused by mismanagement, irresponsibility, disorganization."

The civil defense official said that the cause was unknown. Asked if there was reason to suspect that the explosion had not been an accident, he replied: "It's hard to say. We have a commission investigating it."

Many of the victims were children bound for vacation camps by the Black Sea. The official said that 109 of the 469 hospitalized survivors were children.

Vitali I. Cheripanov, the Chelyabinsk correspondent for the Communist Party newspaper Pravda, said there were widespread rumors of sabotage among the local population but that officials seemed convinced that the explosion had been accidental.

Mr. Cheripanov reported that an engineer on one of the trains had smelled gas in the air before the explosion.

Military detachments and medical teams were mobilized in a res-

See SOVIET, Page 2

Mosbacher Is Confident on U.S. Trade Relations With EC

Robert A. Mosbacher, the U.S. secretary of commerce, is in Western Europe for consultations with senior government and European Community officials. Before traveling to London on Sunday, he talked in Paris with Reginald Dale, the International Herald Tribune's economics correspondent.

MONDAY Q&A

Q. You've recently expressed confidence the EC will not build a Fortress Europe as it creates its post-1992 single market.

A. Let me say I'm encouraged that there will not be a fortress here in Europe. If they pursue, which I have every reason to believe they will, the policies we discussed last week in Brussels — particularly in the areas of standards and product testing, which is of prime concern to me, as well as in banking and financial institutions — I feel we're moving in the right direction.

Q. Do you think there has been a change of course by the EC away from a Fortress Europe, partly as a result of U.S. pressure?

A. Having a long-term perspective of about four months, I can't fully answer that. I do know that when I first delved into it, and talked particularly to our private sector — business people — there was great trepidation.

I think it was probably based more on ignorance and lack of understanding; and that in turn was based to some degree on a lack of openness by the EC.

But I just happened to be in the right place at the right time, and my comments may have had some effect. They were no stroke of genius but just happened to be my honest and candid views that they should give us an opportunity to speak out on the issues and that they had not properly informed everyone.

•

Q. You're referring to your demand for a U.S. seat at the EC table?

A. Yes, which did sort of get their attention.

Q. Where are we now on that?

A. As the issues have got more specific, it's most applicable in the field of standards. That does not sound like an exciting or very sexy topic but it's extremely important to the business community.

Q. Does last week's U.S.-EC agreement on new consultations on standards effectively give Washington a seat at the table?

A. Well, I don't want to really push it that far. I think frankly it gives us an opportunity to be at the table at the appropriate time. Not all the time.

It gives us a chance, first, to know about standards, testing and things like that before they are defined and promulgated.

And second, under certain conditions, it will give us, or particularly the experts and the industries involved, an opportunity to explain and argue their positions.

Q. Should the same kind of procedure be applied to other areas?

A. I don't think there's anything else analogous to this.

•

Q. What are your other concerns?

A. The areas of concern are in the financial institutions, and that one I feel very good and positive about. I was assured that the EC's second banking directive, with its much improved reciprocity provisions, providing in principle for equal treatment for U.S. and European banks, is likely to go through without any problem.

And the same could apply further down the road to investment services and even insurance — although there are still many hurdles to clear.

Some of the concerns that we haven't really addressed are local content, rules of origin and government procurement. I don't think it's far enough along to know how that will go.

Q. There's a view in Europe that the United States and the EC should be cooperating much more closely because they both have open markets and similar philosophies, and Japan is really the common enemy.

A. It is true that the markets are more open, but we certainly don't consider Japan an enemy. They're a friend and an ally as far as the United States is concerned — a friend that needs to work on opening its markets.

I think there have been some beneficial effects from this super 301 provision [of last year's U.S. trade act], which we feel is complementary to the GATT and does not deserve the unilateral label that people have tried to lay on it.

I don't claim it's a panacea for solving our trade deficit. But it gives Japan and us a chance to sit down and discuss problem areas, and market opening potential, before the problems exacerbate.

Also there's a very good internal benefit. It has made us look at our own competitiveness, and our own product quality. That's as much a part of our problem as markets which are not properly open.

We want to keep and will keep our markets open. We want to make sure that others open theirs. But even if we get a market open, it's not going to do us any good unless we come up with quality goods. And I think the United States has moved a long ways towards quality goods.

•

Q. How far will the administration be able to resist protectionist pressures from Congress?

A. I think this administration will only go along with that part that they think makes sense. One thing about this president — and I don't know why, but people seem to have to keep learning it over and over again — is that while his style and his first wish is not to be confrontational, he has a steel core. If he has to use it he will, and I think that's true in trade, too.

Rioting Erupts in Uzbekistan

Soviets Disclose Deaths in New Outbreak of Ethnic Strife

New York Times Service

MOSCOW — Ethnic violence spread to another Soviet republic over the weekend as armed rioters battled security forces, burned cars and destroyed buildings in eastern Uzbekistan, the official news agency Tass reported Sunday night.

Tass said that an unspecified number of people had been killed in clashes between Uzbeks and Meskhetians, a mixed ethnic group deported to Soviet Central Asia from the Caucasus toward the end of World War II.

Troops of the Internal Affairs Ministry were sent in to restore order and a curfew was imposed in several cities and towns in Ferghana Valley, a major cotton-growing region, Tass said.

The report did not say what sparked the clashes, the latest in a series of violent ethnic eruptions that have shaken the Soviet Union over the last two years.

Tass also reported Sunday night that tension was mounting again in the disputed region of Nagorno-Karabkah, where the Armenian majority has waged a 16-month campaign of demonstrations and strikes to win independence from the Republic of Azerbaijan.

The fate of the mountainous region, claimed by both Armenians and Azerbaijanis as their national birthright, has been a subject of heated debate during the past week at the opening session of the new Congress of People's Deputies.

According to Tass, the televised debate — and especially a controversy over which deputies would represent Nagorno-Karabakh in a smaller standing legislature — have brought throngs into the streets for much of the past week.

The regional capital, Stepanakert, has been paralyzed for a month by a general strike designed to bring pressure on the Congress to sever Nagorno-Karabakh from Azerbaijan.

The Kremlin has placed the region under direct administration by Moscow, but has refused to redraw the boundaries, knowing this would enflame the Azerbaijanis.

Tass said Sunday night that residents of neighboring Armenia, drawn by false rumors of hunger in the disputed enclave, have mustered automobile caravans, which pass through Azerbaijan regions, adding to the tension.

"The fact that part of these food products have foreign trademarks raises the idea in the population that aid to the strikers is coming not only from voluntary collection of food in the cities of Armenia, but also at the expense of donations for the earthquake-stricken zone," Tass charged.

Apparently in an effort to calm to tensions between the two Caucasian mountain republics, Soviet authorities last Wednesday released a dozen Armenian nationalist leaders who had been imprisoned without Trial in moscow for more than five months.

The prisoners, including the 11-member Karabakh Committee, which had led protests in Armenia in sympathy with their kinsmen in Nagorno-Karabakh, were flown to Armenia and freed to a jubilant crowd.

At least 90 persons have been killed in violence between Azerbaijanis and Armenians, and tens of thousands of refugees have fled the two republics.

Ethnic minorities in Lithuania, Latvia, Estonia, Moldavia and the Ukraine have also taken to the streets demanding greater cultural and economic autonomy from Moscow, but these uprisings have not so far resulted in violence.

The Associated Press

A RUSSIAN PROTEST — A woman signing a petition circulated in Moscow demanding the resignation from the new Congress of Colonel General Igor Rodionov, district commander of the troops who killed 20 demonstrators in Thilisi, Georgia, in April. The general blamed the victims.

WORLD BRIEFS

Nigeria Strife Spreads to City in East

LAGOS (Combined Dispatches) — A strike in Nigeria over the government's economic austerity program spread over the weekend to Port Harcourt, a city of 250,000 people in the southeastern region. At least three persons were reported killed and several hundred arrested.

Witnesses in Port Harcourt said there were fierce confrontations between crowds of youths throwing rocks and heavily armed police officers and soldiers. The crowds burned down a savings bank and a state-owned newspaper, and heavily damaged the headquarters of a large palm oil installation.

On Sunday, newspapers in Lagos reported that the police had delivered as many as 50 corpses to a Lagos mortuary after rioting in the capital last week. *(NYT, Reuters)*

Shells Kill 2 and Wound 19 in Beirut

BEIRUT (Combined Dispatches) — Syrian Army and Lebanese Christian gunners unleashed artillery barrages across the city on Sunday, killing two civilians and wounding 19 others, the police said. The fighting ended a three-week lull in the Lebanese civil war.

The police said that the deaths, including an unidentified Indian, occurred in largely Christian East Beirut when Syrian gunners pounded that district. Fourteen persons were wounded. A spokesman said five persons were wounded in Muslim West Beirut when shells struck the Hamra shopping district and the seaside regions of Raouche and Ein Mreisseh.

In another development, Arab and Lebanese officials say that Libya has stopped giving money and arms to hard-line Lebanese groups and Palestinian guerrilla factions in Lebanon after more than a decade. Walid Jumblat, head of the Druze militia, who met with Colonel Moammar Gadhafi last week, said the Libyan leader had broken his promises and abandoned support for "national forces" in Lebanon. *(AP, NYT)*

Soviets Charge British Planted 'Bugs'

LONDON (Reuters) — The Soviet Union has accused British intelligence agents of planting electronic monitors in homes and offices of Soviet personnel in London, adding a new strain to British-Soviet relations two weeks after each side expelled 11 of the other's citizens.

Soviet officials said Saturday that 60 listening devices had been found in the north London offices of the Soviet trade mission and that others had been discovered in the homes of diplomats and others. The Soviet ambassador, Leonid M. Zamyatin, who made the accusations in an official protest, said the discoveries were likely to worsen relations. "It means that we don't trust each other," he said.

A senior Foreign Office official denied any British government connection, and said such devices were widely available.

Uno Vows to Clean Up Japan Politics

TOKYO (Reuters) — Sosuke Uno has declared that his top priority as the new prime minister of Japan will be to institute political changes to restore public faith in politics and government after the country's worst corruption scandal since World War II.

"I will carry out political, administrative, fiscal reforms and all reforms," he said Saturday. As a first step, he said, he and his 20 ministers will divulge not only their assets but also those of their families. They will also restrain share transactions, he said, and freeze presently owned shares during their terms in office. Mr. Uno became Japan's 18th postwar prime minister on Friday after succeeding Noboru Takeshita to serve the remaining five months of Mr. Takeshita's term.

For the Record

President Daniel arap Moi of Kenya and Anita Roddick, the British founder of the Body Shop, a chain of natural beauty products stores, are among 114 individuals and groups to receive UN awards for helping the environment, it was announced Sunday in Brussels. The UN Environment Program announced the awards to coincide with World Environment Day on Monday. *(Reuters)*

The synod of the Anglican Church in southern Africa has disapproved the ordination of women priests, although a majority of delegates favored the change, the church announced. A majority voted at a gathering in Durban on Saturday to back the ordination of women, but because the proposal had been declared a controversial one, a two-thirds majority was needed. The vote was 121-79. *(AP)*

In Asia,

Which do you prefer?

Hong Kong
The Peninsula
Japan
Osaka
Royal Hotel
Tokyo
Imperial Hotel
Hotel Seiyo Ginza
Korea
Seoul
Hotel Lotte
Philippines
Manila
The Manila Peninsula
Singapore
Goodwood Park Hotel
Thailand
Bangkok
The Dusit Thani

PREFERRED HOTELS® WORLDWIDE

United States, Canada, Caribbean, Europe and Asia.

For reservations, or to receive a free Preferred Directory, have your travel agent call Utell International.

© 1989 Preferred Hotels Worldwide. All rights reserved.

THE Perfect Savings Partnership

13 DAYS NOTICE DEPOSIT 11·75% PA GROSS for your short term savings £5,000 minimum deposit. Interest credited quarterly. Rates are variable.

1 YEAR FIXED DEPOSIT 12·25% PA GROSS for your longer term investment £1,000 minimum deposit. Interest paid at the end of the deposit period.

Rates correct at time of going to press

Now you can benefit from the advantage of the perfect savings partnership offered by Lombard.

The easy access 14 day notice account is ideal for your short term savings but still earn a good rate of interest. And for your longer term needs, there is the one year fixed deposit where the rate of interest is guaranteed not to change during the period of deposit.

Whether you choose one or both of these you can be assured that your Lombard deposit account will be confidential.

As an added benefit for overseas residence, all interest is paid without deduction of tax at source.

All this adds up to the perfect savings partnership – what more could you wish for your money?

You can find out more without any obligation simply by completing the coupon and sending it to Lombard for your free copy of our brochure

To: Stephen Carter, Lombard North Central PLC, Banking Services Department 482, 38a Curzon St., London W1A 1EJ. Tel. 0737 774111. Ext 2661. 25A

Please send me, without obligation, a copy of your deposit account brochure and current interest rates. (Please write in Capital letters.)

NAME (MR/MRS/MISS) _____

ADDRESS _____

Registered in England No. 237004. Registered Office: Lombard House, 3 Princess Way, Redhill, Surrey RH1 1NP England. A member of the National Westminster Bank Group whose capital and reserves exceed £4,000,000,000.

Lombard The Complete Finance Service

Deposit Accounts

3 Guerrillas, 1 Israeli Die In Gunfight

By Alan Cowell
New York Times Service

TEL AVIV — An Israeli soldier was shot dead and three Palestinians guerrillas were killed early Sunday in a gunfight on the Lebanese border that halted the fourth attempt in eight days by guerrillas to penetrate northern Israel, the army said.

Military officials said one guerrilla was within 100 meters (110 yards) of the fence of Kibbutz Mizgav Am, close to the Lebanese border, when Israeli troops shot and killed him. The slain Israeli soldier was identified as Staff Sergeant Haseen Muktaren, a Bedouin tracker.

The Democratic Front for the Liberation of Palestine, a radical group opposed to conciliatory statements by the mainstream Palestine Liberation Organization, took responsibility for the attack. The Israeli Army also blamed the Democratic Front, led by Nayef Hawatmeh and based in Syria.

According to military officials in Israel, a group of three guerrillas crossed the so-called security zone established in South Lebanon by the Israeli Army, and reached the border fence with Israel at dawn. Two were killed at the fence and the third was shot near a second fence surrounding the kibbutz, the army said.

In the past eight days, eight Arab guerrillas have died in clashes with Israeli forces and Israeli-sponsored South Lebanese militiamen.

Solidarity Appears Headed For Wide Victory in Election

By John Tagliabue
New York Times Service

WARSAW — Poles savored their freest elections in over four decades on Sunday as Solidarity leaders wondered what a crushing union victory would do to the balance of political power.

In balloting for a two-house parliament that many regard as a referendum on Communist rule, candidates backed by the newly legalized union appeared headed for victory over independents and nominees of the Communist Party machine.

Moreover, many of the party's most change-oriented leaders appeared headed for embarrassment or defeat, as numerous voters crossed their names from a national list of candidates backed by the Communists.

An informal sampling by Western news organizations of about 200 voters in the capital and in the northern port city of Gdansk found that more than 75 percent had supported the reborn Solidarity. The first official tallies from scattered polling places were not expected before Monday.

The government's own polling service, in an unusual admission of malaise, predicted that at least 40 of 55 seats in the 100-seat Senate that it believed would be decided on Sunday would fall to Solidarity. The service did not give any details of its poll and did not say what results it expected in the running for Sejm, or lower house.

Lech Walesa, the Solidarity leader, cautioned against too sweeping a victory for Solidarity.

"I think that too big a percentage of our people getting through would be disturbing and might force a fight on us," Mr. Walesa said after casting his vote in the Oliwa district of Gdansk, his hometown, according to Reuters.

Mr. Walesa said he would be satisfied if Solidarity won 70 percent of the Senate, which is being chosen openly and freely, and 25 percent of the lower house. But he added, "I think we will get less than that."

Although the Communists are assured a 65 percent majority in the lower house of the legislature, voters appeared likely to elect sufficiently large numbers of Solidarity candidates to the Senate, or upper house, to make frequent clashes between the sides appear unavoidable.

Mr. Walesa disclosed that, in addition to voting for Solidarity candidates, he had cast votes for the 35-member national list of unopposed candidates backed by the Communist Party and its allies. He added, however, that he crossed out one name, evidently that of Alfred Miodowicz, the head of the official trade unions and a bitter adversary.

To win, candidates on the national list must obtain at least 50 percent of the popular vote. That list contains many of the Communist Party's most liberal members, including Prime Minister Mieczyslaw Rakowski and General Czeslaw Kiszczak, the interior minister who negotiated the deal with Solidarity that produced Sunday's elections. That means that more than half the voters must refrain from crossing their names from the ballot.

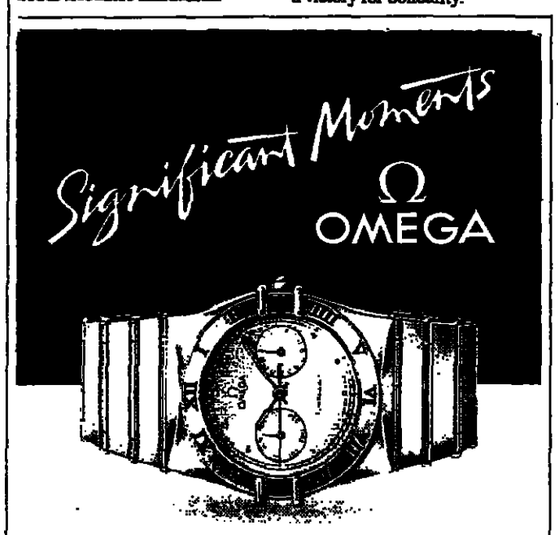
Curiously, some of the first results to circulate in the capital were from North America, where Polish nationals voted in the United States and Canada. According to unofficial figures, the Communist candidates were severely rebuked in voting in Washington and Ottawa.

Although voters in Poland swarmed to the polls under sunny skies after Sunday mass, by evening the turnout appeared low. In the textile center of Lodz, only 40.9 percent voted; in Bialystok, 50 percent.

■ Pledge to Save Shipyard

Workers in Gdansk cheered a U.S. millionaire on Sunday who promised to save the city's ailing Lenin Shipyard, where Lech Walesa founded the Solidarity labor movement, The Associated Press reported from Gdansk.

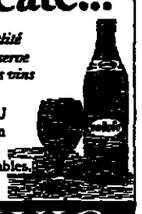
The American, Barbara Piasecka-Johnson, a Polish-born heiress to the Johnson & Johnson pharmaceutical fortune, has pledged up to $100 million to save the shipyard. "It will be called the Barbara Piasecka-Johnson shipyard instead of the Lenin Shipyard," the Reverend Henryk Jankowski told a cheering crowd.



OMEGA CONSTELLATION, THE WATCH SOLD AT LEADING JEWELLERS AROUND THE WORLD.

Délicate...

"La fine minérabilité de VOLVIC préserve l'authenticité des vins et des mets"
A. LOISEAU
Ledoyen



Aux meilleures tables, exigez VOLVIC.

·VOLVIC·

UNIVERSITY DEGREE

BACHELOR'S • MASTER'S • DOCTORATE
For Work, Academic, Life Experience.
Send detailed resume for free evaluation.
PACIFIC WESTERN UNIVERSITY
600 N. Sepulveda Blvd., Los Angeles, California, 90049, Dept. 23, U.S.A.

SOVIET: *Pipeline Disaster*

(Continued from page 1)

cue effort that included ferrying severely burned victims to regional hospitals and arranging accommodations for hundreds of relatives who came seeking news.

"Military units are combing the woods and mountains nearby in the hope that some passengers managed to escape the whirlwind of fire," Tass said.

Soviet television Sunday night was unusually graphic, showing acres of forest charred to the ground, passenger cars crushed and blackened by the blast and badly burned children.

A television reporter said the explosion blew out windows in Asha, about 13 kilometers away.

Monday was proclaimed a national day of mourning. Authorities canceled the planned resumption of the Congress of People's Deputies that has been laying the groundwork for a new national government.

The two trains were traveling between the Siberian city of Novosibirsk and the city of Adler, near the resort town of Sochi on the Black Sea coast.

At this time of year, those trains normally are filled with families going to and from their holidays and with children bound for a large camp in Sochi.

The worst railroad disaster in Soviet history paralyzed traffic on a key leg of the trans-Siberian and doubtless meant a major disruption in the supply-flow of natural gas.

TRAVEL UPDATE

Air Security Tightened in Frankfurt

FRANKFURT (Reuters) — Frankfurt airport has tightened security because of a heightened risk of Arab guerrilla attacks after the jailing May 17 of a Lebanese hijacker, Mohammed Ali Hammadi for life, government officials said.

West German security agencies have picked up "indications of planned terrorist action that could affect airline traffic," said a spokesman for the Hesse State Interior Ministry, which oversees the airport's security. He said police protection of the airport had been stepped up but gave no details. The airport is continental Europe's busiest and handles considerable traffic to the Middle East.The spokesman, Christian Jaletzke, declined to specify the guerrilla threat.

The Italian express trains known as "rapid trains" will offer rebates beginning Friday if the trains arrive more than 30 minutes late, the state railroad system announced. *(AP)*

Indonesia and Vietnam have inaugurated a commercial air link between Jakarta and Ho Chi Minh City, the official Vietnam News Agency said Sunday. An aircraft of the Indonesian national airline, Garuda, landed at the southern Vietnamese city's airport Saturday to start the twice-weekly flights, the agency reported in a dispatch monitored in Bangkok. *(AFP)*

The Nigerian military government has eased visa requirements for businessmen and visitors to promote commerce, Internal Affairs Minister John Shagaya said Sunday, Radio Nigeria reported in Lagos. *(AFP)*

This Week's Holidays

Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Colombia, Denmark, Equatorial Guinea, Guyana, Iran, Ireland, New Zealand, Seychelles.

TUESDAY: South Korea.

WEDNESDAY: Chad, Malaysia.

THURSDAY: Hong Kong, Lebanon, Macao, Taiwan.

FRIDAY: Israel.

SATURDAY: Argentina, Jordan, Macao, Portugal.

SUNDAY: Libya.

Source: Morgan Guaranty Trust Co., Reuters.

WEATHER

EUROPE	HIGH C	HIGH F	LOW C	LOW F	
Algarve	20	68	15	59	fr
Amsterdam	16	61	8	46	r
Athens	28	82	18	64	fr
Barcelona	19	66	10	50	fr
Belgrade	23	73	14	57	fr
Berlin	14	57	11	52	r
Brussels	12	54	7	45	r
Budapest	21	70	12	54	fr
Casablanca	21	70	11	52	fr
Costa Del Sol	27	81	16	61	fr
Dublin	15	59	6	43	c
Edinburgh	12	54	5	41	c
Florence	21	70	—	—	c
Frankfurt	15	59	8	46	r
Geneva	19	66	6	43	c
Helsinki	15	59	10	50	c
Las Palmas	26	79	20	68	fr
Lisbon	21	70	13	55	fr
London	15	59	5	41	c
Luxembourg	13	55	4	39	c
Madrid	30	86	7	45	c
Milan	23	73	11	52	c
Moscow	27	81	13	55	c
Munich	16	61	7	45	r
Nice	24	75	13	55	fr
Oslo	17	63	9	48	c
Paris	18	64	9	48	c
Prague	15	59	9	48	r
Reykjavik	6	43	5	41	r
Rome	23	73	1	34	c
Stockholm	14	57	9	48	r
Strasbourg	18	64	10	50	r
Venice	22	72	12	54	c
Vienna	19	66	11	52	c
Warsaw	22	72	12	54	c
Zurich	—	—	—	—	ns
MIDDLE EAST					
Ankara	23	73	8	46	fr
Cairo	37	99	20	68	fr
Istanbul	22	72	17	63	r
Jerusalem	32	90	16	61	fr
Tel Aviv	32	90	19	66	fr
OCEANIA					
Auckland	—	—	—	—	ns
Sydney	—	—	—	—	ns

ASIA	HIGH C	HIGH F	LOW C	LOW F	
Bangkok	34	93	26	79	cl
Beijing	32	90	18	64	cl
Hong Kong	32	90	26	79	sh
Manila	33	91	25	77	sh
New Delhi	38	100	27	81	cl
Seoul	27	81	17	63	sh
Shanghai	28	82	19	66	cl
Singapore	32	90	26	79	sh
Taipei	33	91	25	77	sh
Tokyo	28	82	19	66	sh
AFRICA					
Algiers	33	91	20	68	fr
Cape Town	15	59	9	48	c
Casablanca	22	72	13	55	fr
Harare	25	77	15	59	fr
Lagos	31	88	27	81	fr
Nairobi	23	73	13	55	fr
Tunis	28	82	14	57	fr
LATIN AMERICA					
Buenos Aires	—	—	—	—	ns
Lima	21	70	17	63	fr
Mexico City	22	84	12	54	fr
Rio de Janeiro	—	—	—	—	ns
NORTH AMERICA					
Anchorage	14	57	4	43	sh
Atlanta	28	82	18	64	sh
Boston	27	81	14	61	sh
Chicago	27	81	14	61	sh
Denver	32	90	17	63	t
Detroit	24	75	12	54	t
Honolulu	30	86	23	73	pc
Houston	32	90	23	73	pc
Los Angeles	21	70	15	59	pc
Miami	32	90	26	79	sh
Minneapolis	24	75	12	54	t
Montreal	24	75	13	55	t
Nassau	31	88	27	81	sh
New York	28	82	22	72	sh
Phoenix	38	100	27	81	pc
San Francisco	20	68	11	52	pc
Seattle	19	66	13	55	sh
Toronto	27	81	13	55	t
Washington	32	90	19	66	t

cl-cloudy; fg-foggy; fr-fair; h-hail; o-overcast; pc-partly cloudy; r-rain; sh-showers; sn-snow; st-storms.

MONDAY'S FORECAST — CHANNEL: Slight. FRANKFURT: Rain. Temp. 13 — 7 (55 — 45). LONDON: Cloudy. Temp. 15 — 4 (59 — 39). MADRID: Fair. Temps. 22 — 7 (72 — 45). NEW YORK: Rain. Temp. 29 — 19 (84 — 66). PARIS: Cloudy. Temps. 16 — 7 (61 — 45). ROME: Thunderstorms. Temps. 23 — 16 (73 — 61). TEL AVIV: Not Available. ZURICH: Cloudy. Temps. 14 — 7 (57 — 45). BANGKOK: Thunderstorms. Temps. 32 — 26 (91 — 77). HONG KONG: Cloudy. Temps. 26 — 24 (79 — 75). MANILA: Thunderstorms. Temps. 35 — 25 (95 — 75). SEOUL: Mist. Temps. 29 — 16 (84 — 61). SINGAPORE: Thunderstorms. Temps. 33 — 25 (91 — 77). TOKYO: Mist. Temps. 26 — 20 (79 — 68).

هكذا من الأصل

BRIEFS

...ds to City in East

...nd 19 in Beirut

...h Planted 'Bug'

...p Japan Politic...

...ed in Frankfurt

UPDATE

AMERICAN TOPICS

New Nielsen System Has Unsleeping Eye

Nielsen Media Research, which rates television programs by the number of viewers, is developing a monitor that can tell which members of a household are watching TV, second by second, when they leave the room and even when they avert their eyes to read a newspaper.

Nielsen insists this is not a Big Brother Is Watching You device, The New York Times reports.

"The only information sent back to the Nielsen computers will be whether people are watching television," a spokesman said. The monitor, essentially a video camera hooked up to a computer, will be programmed with the facial image of each family member. Others — friends, relatives, the family dog — will be recorded as "visitors."

Nielsen began measuring TV audiences by polling a nationwide sample of families, currently 4,000, in 1950. Given small fees and occasional gifts for participating, families at first simply kept diaries of what they watched; the system was replaced just two years ago with "the people meter," by which viewers press buttons to show what they are watching.

Since some participants either become forgetful or grow bored with that arrangement, television networks say the meters underestimate the number of viewers. The new system, which will not require viewers to do anything, is expected to start in three years.

Short Takes

Attendance at sports events continues to set records even though the events can be seen on television. Big-league baseball, basketball and hockey had their biggest attendances ever in the past year, and football had its third-biggest year. Increasingly, huge blocks of tickets are allocated to season subscribers, many of them corporations that want to assure key customers of seats for top games. That makes it difficult for ordinary fans to get good single-game seats even at midseason and almost impossible for them to get tickets for major season-ending events.

Congresswoman Claudine Schneider told fellow Rhode Island Republicans that Vice President Dan Quayle had remarked to her that during a tour of Latin America he regretted he "didn't study Latin harder in school so I could converse with those people." Ms. Schneider says she made it clear the story was not true — just a joke. The Washington Post reports, however, that the story was reported straight by some members of the media. Newsday called it "apparently true" and The Chicago Tribune labeled it "a language fumble," while Time magazine said that perhaps Mr. Quayle was speaking "with tongue in cheek." The Post concluded, "Dan Quayle is anything but gaffe-free. But the Latin gaffe wasn't his; it was the media's."

Arthur Higbee

Steve Schneider/The Associated Press

HUNDREDS OF RMS, SEA VU — About 2,000 volunteers put together a sand castle 15,063 feet long at a sun festival in Myrtle Beach, South Carolina. It will be submitted for consideration by The Guinness Book of World Records, which lists a 1983 work of 8,498 feet as the standard for "sand sculpture."

In U.S., a Soviet Emigré Crime Network

By Ralph Blumenthal and Celestine Bohlen
New York Times Service

NEW YORK — A criminal underworld of Soviet émigrés, some of them skilled in white-collar crime and hardened by Soviet prison and labor camps, is reaching beyond its base in the New York borough of Brooklyn, using extortion and violence in its own neighborhoods and engaging in multimillion-dollar racketeering schemes on an international scale.

The network of Russian-speaking criminals is small and loosely grouped compared with the hierarchies of traditional American organized crime.

But, camouflaged within the country's growing Soviet immigrant communities, the network is fast outstripping the ability of local and federal agencies to curb its schemes, some of which are linked to Mafia crime families, officials of the FBI and other agencies say.

Intelligence reports trace the network to black marketeers and other professional gangsters, many of whom plied their trade in the Soviet Union before winning exit visas — or being planted — in the wave of Jewish emigration.

One mob boss who was said to have spent 10 years in Soviet prisons before turning up in Brooklyn was known to enforce his threats with an electric cattle prod he kept in his car.

Investigators say he once extorted $15,000 from another immigrant by threatening to kill the man's daughter on her wedding day.

Another crime kingpin, convicted of charge-card fraud and now facing extradition from West Germany, is reported to have amassed more than $600 million from bootlegged gasoline in less than a decade since he arrived from Odessa.

As Soviet emigration policies loosen up, greater numbers of Jews, Armenians and ethnic Germans have been given permission to leave. Since 1975, some 150,000 have come to the United States. About 50,000 have settled in the New York area; 15,000 are expected to settle in New York this year.

Law enforcement officials say that although the network comprises no more than a few hundred active criminals, some of these are highly skilled mob enforcers, forgers and confidence men.

Their criminal activities range from old-fashioned jewelry swindles in Manhattan's diamond district to multimillion-dollar schemes involving fake credit cards and bootlegged gasoline.

> **'They feel we are pussycats, and the United States is one big candy store.'**
> A New York detective

They have also counterfeited millions of dollars in currency as well as bank and corporate checks.

In New York City, the Secret Service is planning to announce soon that it has smashed a Soviet émigré crime ring charged with counterfeiting $20 million and robbing American Express of millions more in false traveler's checks.

These criminals have also forged antiques, passing some off as products of Fabergé, the famous jewelers of Czarist Russia. They have engineered insurance frauds; trafficked in illegal drugs, and resorted to assault, torture and murder where they have found resistance.

Investigators say the crimes typically involve get-rich-quick schemes, often executed with a contempt for the U.S. criminal justice system, which seems benign to people who have endured life in Soviet labor camps and prisons.

Law enforcement officials say that the transplanted criminals — reared in a system in which goods are scarce and corruption is a cost of doing business — can take advantage of the credit system and other commercial relationships based on trust.

"They feel we are pussycats," said one New York detective monitoring the network, "and the United States is one big candy store."

"The Russians just don't care — they're not afraid of the consequences," said John Good, a retired FBI agent who works for a private security concern, Business Risks International, which has been hired by victims of some of the schemes.

Despite the obstacles, law enforcement agencies have made some progress against the émigré underworld.

In addition to the Secret Service counterfeiting investigation, a grand jury in Brooklyn has been hearing evidence in an extensive anti-racketeering inquiry into Soviet immigrant criminals.

In one unpublicized case under FBI investigation, a Soviet émigré crime ring infiltrated one of the nation's largest jewelry manufacturers and methodically stole gold and gems valued at $54 million.

And in March, Frankfurt police arrested Marat Balagula, a 45-year-old Soviet émigré suspected of gasoline bootlegging, who fled the United States in November 1986 as he awaited sentencing for a major charge-card fraud.

Brooklyn police also report a wave of violence in the Russian-speaking areas — including murders bearing the earmarks of organized-crime executions.

Some relocation officials, however, challenge assertions that a Russian Mafia is spreading.

"It is a quantum leap to jump to a statement that there is an organized Mafia," said Mark Handelman, executive vice president of the New York Association for New Americans, a government-supported Jewish resettlement agency in Manhattan.

Since 1972, he said, his agency had been contacted by the law enforcement authorities no more than three or four times about suspected criminals.

Although most of the arrivals and many of the criminals are Jewish, investigators say, some of those who arrived with Jewish identities had forged their papers in order to leave the Soviet Union.

Also, investigators said, some are undoubtedly KGB agents smuggled into the United States among legitimate immigrants.

Federal agents say the Immigration and Naturalization Service, in the absence of cooperation from Soviet authorities, is in no position to weed out those with forged documents and criminal pasts from the thousands passing through transit camps outside Rome.

The network has centered in Brooklyn's bustling Brighton Beach neighborhood, with its Old World shops and restaurants, but police reports show that criminal offshoots have also surfaced in Los Angeles, San Francisco, Seattle, Phoenix, Chicago, Minneapolis and half a dozen other cities.

Groups are often organized by city of origin — Odessa, Kiev, Leningrad, Moscow. This gives some structure to the otherwise loose-knit network, which apparently is not based on turf. Police say the network is usually subordinate to the deal of the moment.

In many ways, the emergence of the Soviet network conforms to the pattern of other ethnic organized-crime groups in the United States, experts said.

Like La Cosa Nostra, said James Fox, director of the FBI's New York office, "this criminal element starts by feeding on its own and eventually, as it becomes bigger and feels it can evade the law, it spreads outside its community." He said the FBI was taking the problem "very seriously."

But, unlike other immigrant criminal groups, the Soviets generally arrive well-educated and highly skilled technically, said Lydia Rosner, a Russian-speaking assistant professor of sociology at New York City's John Jay College of Criminal Justice.

"They are often more skilled than Americans themselves at exploiting the weaknesses in American society," she said.

The very best in good taste.

Mac Baren

For pipe smokers in over 80 countries Mac Baren tobaccos represent, above all, the very best in good taste.
Select and smoke a Mac Baren tobacco today and see how right they are.

North's Ex-Secretary Admits Cocaine Use

By Michael Isikoff
Washington Post Service

WASHINGTON — Fawn Hall, the former White House secretary to Oliver L. North, has told the Drug Enforcement Administration that she used cocaine many times during a three-year period when she held sensitive jobs on the National Security Council staff and at the Pentagon, according to sources.

Miss Hall, questioned as part of a wide-ranging federal drug investigation in the Georgetown area, was interviewed by an agent on August 7, 1987 — two months after she gained national prominence in testifying before the congressional Iran-contra hearings about her work as personal secretary to Oliver L. North when he was a council aide, sources said.

As part of the investigation, the DEA's Washington field office has interviewed dozens of residents — including lawyers, real estate brokers and businessmen — who frequented Georgetown bars and nightclubs where drug dealing and use were reported rampant in the mid-1980s, according to sources.

Sources stressed that Miss Hall is not a target of the investigation, which has focused on drug dealers, rather than users, in the Georgetown area. One source said she remains a potential grand jury witness in the probe.

At the same time, sources said there were no allegations that Miss Hall ever trafficked in drugs, used cocaine in the White House or suffered any drug-abuse problem that might have influenced her work for the government.

In the 1987 interview, conducted in the office of her lawyer, Miss Hall was confronted with allegations from several witnesses that she engaged in illegal drug use while attending Georgetown nightclubs, sources said.

Miss Hall acknowledged being a "weekend" cocaine user in 1985-87, and provided the investigators with names of some alleged drug sellers, sources said.

Miss Hall, now living in Los Angeles and pursuing a career in the entertainment industry, could not be reached for comment. Her lawyer said he would not make Miss Hall available to be interviewed.

As Mr. North's secretary, Miss Hall had access to some of the most sensitive national security documents in the government and had been given a high-level security clearance to perform that role. While at the White House, she typed memoranda and handled documents relating to planning for the invasion of Grenada, counterterrorism operations, the secret arms sales to Iran, and Mr. North's covert operations to arm the Nicaraguan contras.

AP

Fawn Hall

The allegations about Miss Hall were reported to top levels of the drug administration and sparked a brief discussion over how they should be handled, sources said. There was concern that the agency might be accused of a "cover-up" if it failed to pursue the matter, according to one source familiar with the discussions.

One senior DEA official said that allegations against well-known figures like Miss Hall are frequently reported during investigations. But the agency's primary mission is to focus on traffickers, not the millions of Americans who use drugs, said the official, who asked not to be identified.

Jackson Appears Headed Toward Mayor's Race

By Tom Sherwood
Washington Post Service

WASHINGTON — The Reverend Jesse L. Jackson intends to move his legal residence from Chicago to Washington in August as a step toward possibly running for mayor here in 1990, according to sources close to Mr. Jackson.

The sources said they believed that Mayor Marion Barry, who has said he intends to seek a fourth term, ultimately will not seek re-election.

Mr. Barry's plans are the key to Mr. Jackson's decision on whether to enter the race. The former presidential candidate has said that he would not run against Mr. Barry because he is a political ally.

Still, advisers to Mr. Jackson said that Mr. Barry is so politically weak that even if he forms a campaign finance committee he would not be able to sustain a re-election bid. The mayor has come under heavy criticism for the city's drug crisis, its budget problems and questions about his personal integrity.

Mr. Jackson's timetable calls for waiting for Mr. Barry to realize that another campaign would be divisive or futile, the advisers added.

But Mr. Barry scoffed at what he called attempts to write his political obituary and said that he would not be pressed into making an early announcement of his plans.

Aides to the mayor said that they saw the comments from Mr. Jackson's advisers as an effort to pressure Mr. Barry and added that such tactics could backfire.

These aides said that the mayor knew he had had a run of bad publicity and that he was waiting for positive developments before seeking more political support.

Even if Mr. Jackson ran for mayor, sources close to him said, an announcement might not be made until late this year or early next year.

Others who have begun a campaign for mayor are: David A. Clarke, the chairman of the Washington Council; John Ray, a council member, and Sharon Pratt Dixon, a national official of the Democratic Party.

Mr. Jackson plans to move to Washington from Chicago during the summer to avoid possible criticism that he moved there one week and announced he would run for mayor the next.

Mayoral candidates must reside in Washington for at least a year prior to any general election. Mr. Jackson would have to change his legal residence to Washington by November to run for election.

■ Plan for Move Confirmed

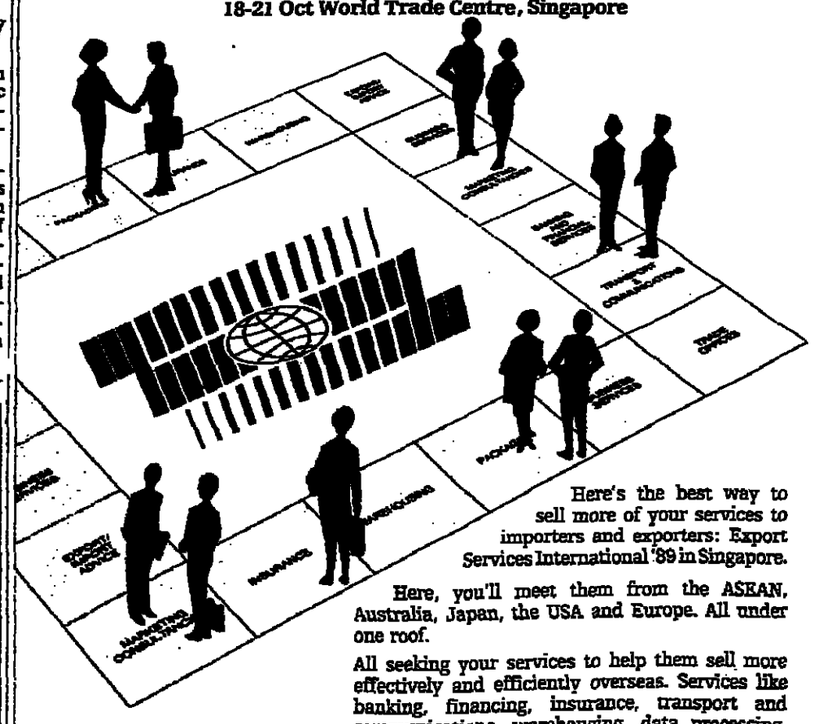
Mr. Jackson confirmed Saturday that he intended to move to the District of Columbia once renovations are completed on a home there, The Associated Press reported from Washington. But he said that he had not decided whether to make it his legal residence.

WORLDWIDE SOUND
Osio
CAR STEREO, BOOSTER, SPEAKER
Osio Electronics
PO Box 155, 2570 AD Rijeldenrijnsweg, The Netherlands Tlx. 25464 Fx. (−3171)5-16602
C.P.O Box 5493, Seoul,Korea Tlx. k 26831 Fx (−82)2 585-1317

Export Services International '89

NEWEST OPPORTUNITY TO MARKET YOUR SERVICES TO EXPORTERS WORLDWIDE!

18-21 Oct World Trade Centre, Singapore



Here's the best way to sell more of your services to importers and exporters: Export Services International '89 in Singapore.

Here, you'll meet them from the ASEAN, Australia, Japan, the USA and Europe. All under one roof.

All seeking your services to help them sell more effectively and efficiently overseas. Services like banking, financing, insurance, transport and communications, warehousing, data processing, foreign trade advice and much, much more.

Hurry. Don't miss this great opportunity to expand your customer base. Book your exhibition booth today.

For details, call (65) 278-8866; Telex: RS 35319 CEMS; Fax: (65) 278-4077 or write to: CEMS Pte Ltd, 1 Maritime Square, #09-43 World Trade Centre, Singapore 0409.

Organized by: Singapore Trade Development Board
Managed by: CEMS Conference & Exhibition Management Services Pte Ltd
The Official Airline: SINGAPORE AIRLINES
Official Publication: Herald Tribune

France and Spain Urge Full EC Economic Unity

Reuters

PARIS — France and Spain urged Sunday that a full economic and monetary union within the European Community be put into effect.

The French foreign minister, Roland Dumas, speaking at a news conference here, said that both countries wanted the process of union to begin in "a decisive manner." The news conference followed a meeting of Mr. Dumas and the Spanish foreign minister, Francisco Fernández Ordóñez, to prepare for the EC summit meeting in Madrid, starting June 26.

Baccarat
Crystal gifts & tableware
30 bis, Rue de Paradis
75010 PARIS
(thru the archway)
Tel.: 47 70 64 30
When in Paris... visit our Museum and sales floor
Open Monday - Friday
9 a.m. to 6 p.m.
Saturday 10-12 a.m., 2-5 p.m.
Brochures on request

A GRATIFYING YEAR'S BALANCE SHEET.

In 1988, Landesbank Rheinland-Pfalz continued its successful performance of preceding years. Compared with 1987, the Bank's balance-sheet total went up by 7.4% to DM 41 billion and that of the Group by 7.7% to DM 45 billion.

The after-tax surplus exceeded DM 50 m. DM 30 m was transferred to revenue reserves and DM 20 m paid out as dividends.

The major growth contributor was lending to banks and savings banks and interbank business. In corporate lending, growth came mainly from the increasing financial needs of small and medium companies. Real-estate lendings rose perceptibly, with a considerable increase in new business compared with 1987. Noticeable growth was also recorded in lendings to leasing and factoring companies, special-purpose banks as well as to international customers.

There was no change in the Bank's primary source of refinancing, the issue and placement of its own bonds. By building up its own-account trading in third-party bonds and shares, it achieved higher profits than in 1987.

In 1988, the Landesbank's main focus was again on its mandate as a financing institute for government and local authorities and as a central savings-bank institution. The growing foreign business orientation of the regional economy and the opening of new markets for the single European market played a part, too. We also supplied know-how to foreign investors interested in Rhineland-Palatinate.

The Bank expanded its investment portfolio in line with its strategy of safeguarding its future market position. A substantial interest was acquired in real-estate consultants, Zadelhoff Deutschland GmbH, Frankfurt. We were also the first Western financial institution to acquire a participation in Eurasco Zürich AG, which is involved in East-West business.

Key figures	1988	Percentage change
Balance-sheet total (group)	DM 45.0 bn	+ 7.7
Balance-sheet total (bank)	DM 40.9 bn	+ 7.4
Loans	DM 32.6 bn	+ 6.5
Liabilities	DM 17.6 bn	+ 23.9
Bonds issued	DM 18.0 bn	− 3.7
Capital and reserves	DM 1.1 bn	+ 10.0
Fiduciary Accounts	DM 3.5 bn	+ 2.9

For a copy of the full Annual Report, please write to: Landesbank Rheinland-Pfalz, Postfach 29 69, D-6500 Mainz 1.

LANDESBANK RHEINLAND-PFALZ

IRAN AFTER THE DEATH OF KHOMEINI: The 'poet-president' assumes the role of caretaker leader.

Sorrow and Relief at Khomeini's Death

Compiled by Our Staff From Dispatches

Reaction to the death of Ayatollah Ruhollah Khomeini ranged on Sunday from public grief to quiet relief.

In Tehran, grieving residents poured into the streets. Thousands of mourners thronged the ayatollah's home in the northern suburb of Jamaran. "I think there must be 100,000 people around Jamaran, all crying," a resident said by telephone. "It's like I have lost my father. I supported him with all my heart."

Iranian television showed men and women beating their heads in grief, as well as seas of flailing arms surging down the streets of cities and towns across Iran.

In Lebanon, sobbing Shiite Muslims paraded through Beirut's southern suburbs and the Bekaa Valley in the east of the country. Black banners and Iranian flags fluttered from every balcony in the suburbs, and giant posters of the ayatollah covered the walls. Scores of women sprayed cars and pedestrians with perfume in a gesture traditionally marking a Muslim leader's death.

Syria, Iran's only Arab ally in its devastating eight-year war with Iraq, declared a week of mourning. In Iraq, the ayatollah's death was reported without comment.

Arab nations that generally backed Iraq in the war were also restrained.

Western governments were generally cautious in their reaction.

"We have nothing to say about it at all," a Foreign Office spokesman said in Britain. "There is no reaction to his death, no reaction at all." Four Britons are missing, believed kidnapped, in Beirut. Shiite militants loyal to the ayatollah are believed responsible.

In Kennebunkport, Maine, President George Bush said he hoped the ayatollah's death meant that Iran would move toward assuming "a responsible role in the world community."

In London, the author Salman Rushdie was said by an associate to harbor few hopes that he could start leading a normal life. A British Muslim leader said the ayatollah's death condemnation against Mr. Rushdie still stood. Iran broke ties with Britain in March after the ayatollah's order to Muslims to kill Mr. Rushdie, who Iran said had blasphemed Islam in his book "The Satanic Verses."

Barry Rosen, one of 52 U.S. hostages held for 444 days after Tehran militants seized control of the U.S. Embassy in November 1979, said in New York, "I do feel to a certain degree that that part of the nightmare is over."

The only note of jubilation came from the Mujahidin Khalq, the Iranian opposition group. Its leader, Massoud Rajavi, said from Baghdad that the ayatollah was "the most notorious dictator of the modern times" and that a new era was opening for the people of Iran.

The Jordanian information minister, Nasouh Majali, said the death might push Iran toward more realistic policies, adding that the previous decade had not achieved "anything for Iran except an accumulation of problems, devastation and extremism."

The Egyptian foreign minister, Esmat Abdel Megnid, said Tehran could now help reach a permanent peace settlement with Baghdad.

In New York, Reza Pahlavi, son and heir of the shah, whose downfall brought the ayatollah to power in 1979, said there was likely to be a turbulent transition.

In Jerusalem, a Foreign Ministry spokesman said Israel hoped that Iran's future leadership would take a more positive stand on human rights, the West and Israel.

A former Iranian president, who is in exile in France, Abolhassan Bani-Sadr, urged the Iranian Army "to keep out of the internal power struggle, to direct their attention to Iran's borders, not to oppose the Iranian people in its will to re-establish liberty."

(Reuters, AP, AFP)

AFP

President Ali Khamenei

Khamenei: A Key Survivor

The Associated Press

NICOSIA — President Ali Khamenei, named as caretaker leader of Iran after the death of Ayatollah Ruhollah Khomeini, has played a key role in the Islamic revolution.

The soft-spoken cleric, who spent three years in prison or internal exile under Shah Mohammed Reza Pahlavi for his revolutionary activities, is also a victim of the violence that the revolution unleashed.

He was seriously wounded in June 1981, along with 100 other people, when a bomb hidden in a cassette-tape recorder exploded while he was delivering a sermon in a Tehran mosque. His right arm and hand are still disabled and he walks with a cane.

The bombing was blamed on the Mujahidin Khalq group, which assassinated President Mohammed Ali Rajai, Prime Minister Javar Bahonar and scores of other Khomeini officials after the revolution. The Mujahidin Khalq had fought with radicals against the shah, but turned into enemies when the radicals later broke with them.

Mr. Khamenei, often called the "poet-president" because of his passion for literature, was elected Iran's third president, in 1981, to succeed Mr. Rajai.

Although the powers of the presidency have been seriously eroded by political infighting between rival factions in Tehran, Mr. Khamenei, 49, retains wide popularity.

Mr. Khamenei sees the Iranian revolution as the catalyst that has "revived and stimulated the thinking of Moslems about Islam everywhere."

He rarely indulges in the fiery rhetoric of other Iranian leaders and refused treatment in the United States for his injuries because he argued he could not say "Death To America" while using its medical facilities.

When he visited the United States in 1987 to address the United Nations Security Council on the war with Iraq, he criticized the Americans for their intervention in the Gulf, then delivered a sermon on Islam to the assembled delegates.

Mr. Khamenei is chairman of the Supreme Defense Council, which formulated Iranian strategy during the 8-year war with Iraq and a member of most of the key councils and assemblies in Iran.

IRAN: *Council of Clerics Chooses Khamenei to Succeed Khomeini as Supreme Leader*

(Continued from page 1)

affairs, a status that no one active on the Iranian political scene can claim today.

The other two prime figures in Iranian politics — the speaker of parliament, Hashemi Rafsanjani, and the ayatollah's son, Ahmad Khomeini — as well as Mr. Khamenei are clerics of a lower religious rank, hojatolislam. As such they enjoy a modest and splintered following among the faithful.

"We are looking at the end of era with the successors jockeying for power until they consolidate themselves and are sure they will survive," said Baqer Moin, an Iranian writer in London who has written a biography of the ayatollah's life.

Ayatollah Khomeini's authority acted as cement for various factions of the clergy that have been allowed to advocate clashing political objectives over the last decade. He acted as final arbiter, sometimes favoring hard-liners and at other times pragmatists.

All accepted Ayatollah Khomeini's judgment. Under Mr. Khamenei, this may not be the case.

The legacy of Ayatollah Khomeini is complicated by the fact that just before his death, his policies gyrated wildly from the hard line he advocated against the West, Iraq and everything he perceived as an enemy of Islam or a threat to Iranian independence.

After accepting a cease-fire with Iraq last year, helping in the release of Western hostages in Beirut and making tentative openings to the West, the ayatollah authorized advocates of sterner anti-Western policies to return to the fore.

Senior aides reverted to death calls against perceived Western enemies of Islam, most notably in the case of Salman Rushdie, the British author whose book "The Satanic Verses" was deemed blasphemous by Muslims.

In March, Ayatollah Khomeini and his senior aides forced out his designated successor, Ayatollah Hussein Ali Montazeri.

The Iranian oil minister, Gholamreza Aqazadeh, said Sunday that Mr. Rafsanjani was most likely to be elected president in August.

Mr. Aqazadeh, attending a meeting in Vienna of the Organization of Petroleum Exporting Countries, said that the post of prime minister would also be abolished, giving Mr. Rafsanjani wide latitude as president and chief executive.

"Mr. Rafsanjani as a person with great popularity will be most suitable for candidate for the post of president," Mr. Aqazadeh said. "There may be other candidates, but none will approach Mr. Rafsanjani in stature."

Critics of the ruling clergy, however, said that Ayatollah Montazeri remains a potent, although for now silent, figure in Iranian politics.

A former president of Iran, Abolhassan Bani-Sadr, said that Ayatollah Montazeri "certainly still has a role to play."

Other experts on Iranian affairs say that after a period of time, elements in the regime like Mr. Khamenei, the council of 83 clerics that selected him and Mr. Rafsanjani may have to steer the country toward more pragmatic policies again.

This would be done largely out of economic need and the sheer exhaustion of the population after 10 years of war, revolution and struggle.

Experts on the region cautioned, however, that Iran likely would first drift further toward hostile policies.

"It is in the nature of revolutions at such early stages to head for more closure, more militancy," said Mohammed Hassanein Heykal, a prominent author.

Mr. Bani-Sadr said that while this may be true, Iran's ruling clergy will simply fail to deliver any coherent system of government.

"The only thing they can deliver is a total impasse," he said. "A no war no peace situation with Iraq. A paralyzed economy and laws that are not there. In the end, I think it will all lead to the death of dictatorship."

AYATOLLAH: *A Revolutionary Enemy of the Shah and the West Who Dreamed of an Islamic Republic*

(Continued from page 1)

Hussein Ali Montazeri, a relative moderate who had been designated as his political heir.

In the aftermath of the 1979 revolution, there was no one in Iran with sufficient power to challenge the ayatollah successfully. He moved relentlessly toward his theocratic goal. In a frenzy of political retribution and Islamic purification, thousands of people were executed in public, including the shah's officials, torturers, criminals, homosexuals and prostitutes.

A 1987 report of the United Nations Commission on Human Rights estimated that as many as 7,000 people were shot, hanged, stoned or burned to death after the 1979 revolution. Executions continued over the years, the report said, but declined in number.

In 1979, a year of wild militancy, the leadership feared an American-inspired countercoup to restore the shah, as had happened in the early 1950s, when Iran under the nationalist grip of Prime Minister Mohammed Mossadegh seized the Anglo-Iranian Oil Co.

In 1953, Washington feared a Communist takeover and expansion of Soviet influence. It put the CIA to work to undermine Mr. Mossadegh and to restore the shah's power. The plot succeeded, and the CIA and its Tehran operatives prided themselves on it, wrote about it and talked about it for decades as a model of intelligence activity.

Twenty-six years later, in 1979, the shah was again out of power and abroad, and again the United States played a central role in the turmoil as the new leaders insisted he be returned to Iran to stand trial. Amid this militancy, President Jimmy Carter overruled advisers and intervened to allow the shah to enter the United States for cancer treatment. In a fury, Iranians clambered over the walls of the U.S. Embassy in Tehran on Nov. 4, 1979, seizing diplomats, staff members and others.

The hostage crisis caused fear and humiliation in the United States. There was well-founded dread that the captors, mostly student militants, might start shooting hostages in front of television cameras to dramatize their demands.

Under growing pressure in an election year, Mr. Carter endorsed a military rescue mission in April. The mission was abandoned at a desert site southeast of Tehran after three of eight helicopters had mechanical problems. As the would-be rescuers rushed to take off before dawn, a helicopter crashed into a C-130 transport and exploded. Eight men died.

For the ayatollah and most Iranians, the collapse of the rescue mission was cause for jubilation. Crowds celebrated in the streets. But for Mr. Carter, as he said later, it was the ignominious beginning of the end for his presidency. It was not until Jan. 20, 1981, Inauguration Day for Ronald Reagan, that the hostages were released, after 444 days.

The seizure of the hostages was an act of defiance that rallied Iranians behind the ayatollah and helped insure approval of his new constitution establishing Iran as an Islamic republic. Lifelong supreme authority was vested in the ayatollah, with the title Velayat Faghi, or Religious Leader.

Over the years, there were rumors of differences inside Iran on the issue of relations with the United States, and these hints of emerging "moderation" in Iran led to a foreign-policy debacle: the Iran-contra affair.

Some Americans in the Reagan White House spoke of "moderates" in Tehran who looked to a time when the ayatollah would pass from the scene. It was to such "moderates" that the White House turned in 1985, seeking influence to win the release of Americans being held in Lebanon by Islamic Shiite fundamentalist terrorists.

Complex deals of arms for hostages were played out, with disastrous results.

The man who became the Islamic ruler of Iran and a force in much of the world was born, by varying accounts, in 1900, 1901 or 1902. Iranian sources put his age at 86, but May 27, 1900, has become the most accepted date for the ayatollah's birth. His birthplace was the town of Khomein, about 300 kilometers (about 180 miles) south of Tehran. His father was a mullah.

Raised by his strong-willed mother and aunt, the ayatollah began religious studies in Khomein.

In the 1920s, Ayatollah Khomeini followed his tutor to Qum, where he completed his studies, worked as a teacher and became interested in Islamic mysticism and Plato's "Republic," which may have helped shape his vision of an Islamic state led by a philosopher-king.

It was during these years that the ayatollah married, reportedly a woman from Qum. They had a daughter who died in infancy and a son, Mustafa, whose death in the 1970s led to speculation that he had been killed by the shah's police. According to some accounts, the ayatollah's first wife died and he then married the daughter of a wealthy landowner. They had, it was said, three daughters and a son, Ahmad, who went on to serve as his father's chief aide.

The ayatollah began to speak out against the Iranian monarchy in 1941, but his campaign was overshadowed in 1951 when the National Front Government of Mr. Mossadegh came to power and when, in 1953, the shah was briefly driven into exile. The ayatollah sympathized with the opposition but regarded the Mossadegh government as too secular.

It was in the years after the shah was restored to the throne with the aid of the CIA that Ruhollah Khomeini acquired the honorific ayatollah, or Reflection of Allah, a title that bestowed by acclamation of followers. It is held by more than a thousand mullahs in the Shiite world. By the time he took the lead in the opposition to the shah, he had received the title of grand ayatollah, held by only six other mullahs in Iran at the time.

That was 1962, when the ayatollah led a general strike against a ruling that witnesses in court no longer had to swear by the Koran. In 1963, the shah announced his White Revolution to modernize Iran swiftly and from top to bottom, a program that included emancipation of women and seizure of the vast lands controlled by the clergy. The ayatollah spoke out against it.

In June that year, when the ayatollah, preaching to 100,000 at a Qum mosque, demanded that the shah depose the shah, he was arrested. Riots followed. Released from jail, he was kept under house arrest for almost a year and then detained again in November 1964.

When he was brought before Prime Minister Hassan Ali Mansour and refused a last-minute appeal to drop his opposition to the government, the prime minister reportedly slapped him and ordered him into exile. Within weeks, the prime minister was killed by a young gunman carrying the ayatollah's picture.

The exiled ayatollah went first to Turkey but then moved to Iraq, continuing his campaign against the shah.

In January 1978, an article mildly critical of the ayatollah was planted in a Tehran newspaper and proved an immediate, and costly, mistake. In a rage, demonstrators carrying pictures of the ayatollah poured into the streets of virtually every city and town in the country.

The yearlong battle for Iran was on.

By September the revolt had spread to the oil fields, where workers began a crippling strike, leading the shah to declare martial law. The next month, Iraq stationed policemen around Ayatollah Khomeini's house, provoking more demonstrations. The shah, finally recognizing the ayatollah's influence, switched tactics and proclaimed an amnesty that would have let him and thousands of other exiles return home. It was too late.

When the ayatollah was expelled from Iraq, he moved to France and set up headquarters in the Paris suburb of Neauphle-le-Château. There, he and his aides worked the telephone to coordinate the activities of hundreds of mullahs in Iran.

In the frantic days of December 1978, the ayatollah refused offers of compromise, insisting on the ouster of the shah. When the shah finally left on Jan. 16, 1979, the ayatollah denounced the government the shah left behind. Caught between the ayatollah's intransigence and a powerful army still loyal to the shah, Prime Minister Shahpur Bakhtiar first closed Tehran airport to thwart the ayatollah's return, then relented.

On Feb. 1, Ayatollah Khomeini flew home, reclining on a carpet on the floor of an Air France plane. Within days, the Bakhtiar government had faded away and the ayatollah was in full control. He told the Iranians, "The remaining one or two years of my life I will devote to you to keep this movement alive."

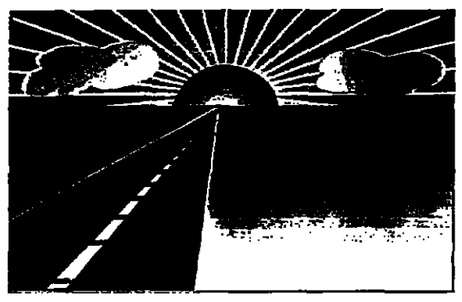
To the dismay of the National Front and other secular groups that had helped lead the struggle against the shah and hoped to establish a modern democracy, the ayatollah moved to impose Islamic rule. He ordered women to wear the chador, a full-length gown, and veil and he allowed no criticism of his rule.

In the long war with Iraq, casualties were heavy and the financial burden enormous on both sides. The war threatened a new world oil crisis as both sides attacked tankers in the Gulf. In July 1987, the United States put naval forces in the Gulf to escort Kuwaiti tankers. A year later, one of the U.S. warships shot down an Iranian Airbus, killing all 290 aboard.

It was on a note of fatalism that the ayatollah finally, in July 1988, announced his acceptance of the truce. "I had promised to fight to the last drop of my blood and to my last breath," he noted in a statement reported by the Tehran radio. "Taking this decision was more deadly than taking poison," he went on, "I submitted myself to God's will and drank this drink for his satisfaction."

FINANCIAL INDEPENDENCE

THE KOHLER WATER GROUP HAS COMPLETED THE #1 ROAD TO SUCCESS!



A STRAIGHT ROAD TO THE WORLDS EASIEST PASSIVE INCOME

THE MOST NOBLE BUSINESS ON EARTH, BE IN BUSINESS FOR YOURSELF NOT BY YOURSELF.

International Exclusives

Does Your Drinking Water Cost More Than Gasoline?

- Water is the #1 industry of the 90's! Forbes Magazine.
- You can manufacture the Highest Quality Bottled Water on Earth!
- New Patented - Earth Grounded Devices - Lowers Surface tension of Water and Body Fluids - (We see it as addictive).
- Copywritten bottled water labeling brings equipment sales!
- #1 Rated Industrial - Agricultural - Residential Products.
- Plants Can Grow 100% + faster.
- Low Cost point of use filtration best on earth - ABS Plastics/Heat Welded - Bone Carbon/K.D.F.

(416) 469-7035 / 24 hours
(Country Exclusives)

12 words you must know, today.

Concurrentie...Konkurrenz...Concorrência
Konkurrence...Competencia...Concurrence
ΣΥΝΑΓΩΝΙΣΜΟΣ...Wettbewerb...Iomaíocht
Concorrenza...Konkurrentie...Competition

Get the truth about Europe in the Financial Times.
The voice of authority in a changing Community.

Whichever way you interpret 1992, it means one thing: open competition. Of course, the potential for profit is enormous. You'll have a market of 320 million customers with $2,800 billion to spend.

But you also face new threats from foreign rivals.

And they aren't waiting for 1992. Their assault on your markets has already begun.

Do you know who they are?

And how vulnerable will you be once de-regulation opens the door to their products and services?

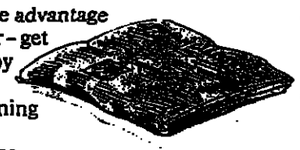
Read the Financial Times daily and you'll keep up-to-the-minute on the changes that are affecting Europe's markets - and you.

Not only are we on-the-spot in Brussels - assessing the impact of each new directive.

We also have over 270 correspondents covering Europe - analysing how businesses like yours are restructuring management and revising marketing strategies to exploit the open market.

Don't let them profit at your expense. Get the insight, analyses and hard business news you need to beat your competitors by subscribing to the Financial Times.

And be sure to take advantage of this introductory offer - get your first 12 issues free by simply completing the coupon below and returning it to Colin Kennard, or by calling: Frankfurt 75980.



One market. One newspaper.

It's time you tried the Financial Times. 12 issues absolutely free with your introductory subscription. Delivered to your door with our compliments.

To: Colin Kennard, Financial Times (Europe) Ltd., Guiollettstrasse 54, D-6000 Frankfurt am Main 1. Tel: Frankfurt 75980. Tx: 416193. Fax: Frankfurt 722 677.

YES, I would like to subscribe to the Financial Times, Europe's leading business newspaper and enjoy my first 12 issues free. I will allow up to 21 days before delivery of my first copy. Please enter my subscription for 12 months at the following rate:*

Austria	ÖS 5,225	Germany	DM 596	Portugal	ESC 36,000
Belgium	BFR 10,980	Italy	LR 495,000	Spain	Ptas 45,500
Denmark	DKK 2,950	Luxembourg	LFR 10,980	Sweden	SEK 2,200
Finland	FMK 1,830	Netherlands	Dfl 755	Switzerland	SFR 590
France	FFr 1,630	Norway	NOK 2,170	Turkey	TL 247,000

☐ Bill me ☐ Charge my American Express/Diners Club/Eurocard/Visa Account. Card Expiry Date

Please tick here for more information about 6 and 24 month subscription rates, or rates for a country not listed opposite.

(please specify)

Name Title

Company Tel

Address to which I would like my Financial Times delivered:

Signature Date

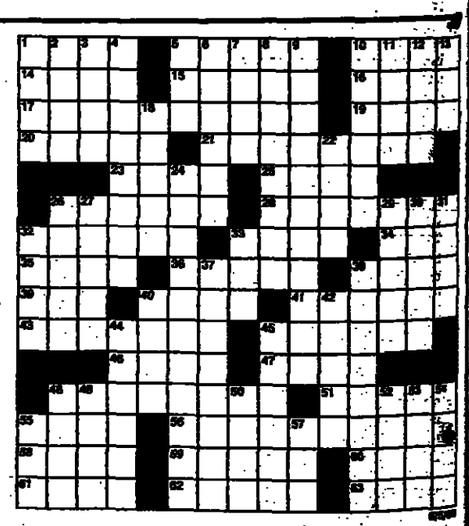
No order can be accepted without a signature.

*Currency rates are only valid for the country in which they are quoted. Subscription prices and promotion are valid until 30th June 1989.

FINANCIAL TIMES

Please reply by 30th June 1989.

723X



ACROSS

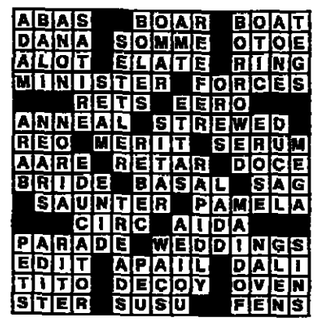
1 Singer Elliot
5 Mideast rulers
10 An anagram for team
14 Dos y seis
15 Pissarro contemporary
16 Russian saint
17 Tea sweetener
19 Fabulist
20 Naturalist Charles
21 One in opposition
23 Bring home the bacon
25 Medieval blade
26 Salutes
28 Kampala native
32 "2001: A Space Odyssey" star
33 Spheres
34 Ankara
35 Just
36 Night on the town
38 Caesar and Stone
39 III x LXVII
40 Command to Fido
41 Still-life objects
43 Jewish months
45 Knitters' woes
46 Burden
47 Peon's predecessor
48 Crib spread
51 Goalies' credits
55 Diner order
56 Irregularly shaped piece of furniture
58 Route to Roma
59 Provide (with)
60 Kett of comics
61 Skeletal
62 "The Second Coming" poet
63 Cheer

DOWN

1 Career .367 hitter
2 Homestead segment
3 Sabot
4 Salt pork
5 Bad ——, German spa
6 Laments
7 "Picnic" playwright
8 Give new confidence to
9 Tall, skinny fellers
10 Lavalike
11 Nobelist Wiesel
12 Medium for Pasteur
13 Swabbie
18 Fraser of tennis
22 Vastnesses
24 Thanksgiving favorite
26 Suspicion; guess
27 "—— Rhee," 1865 song
29 Kind of sergeant
30 Culex's kin
31 Drumnadrochit's loch
32 Severinsen and Holliday
33 Kid ——, famed jazzman
37 Dice shooter's strip
38 Farm implement
40 Balanced
42 Li'l Abner's mammy
44 Flaubert heroine
45 Metal fastener
48 Roman statesman
49 Chamber in a pizzeria
50 Snorri's stories
52 Oval Office act
53 "—— Perpetua," Idaho's motto
54 Card game for three
55 Triangular sail
57 M.I.T. grads

© New York Times, edited by Eugene Maleska.

Solution to Friday's Puzzle



THE TAKING OF TIANANMEN SQUARE: Students who had clutched leaflets picked up firebombs in a battle against the invading tanks.

Tell the World, Enraged Students Plead

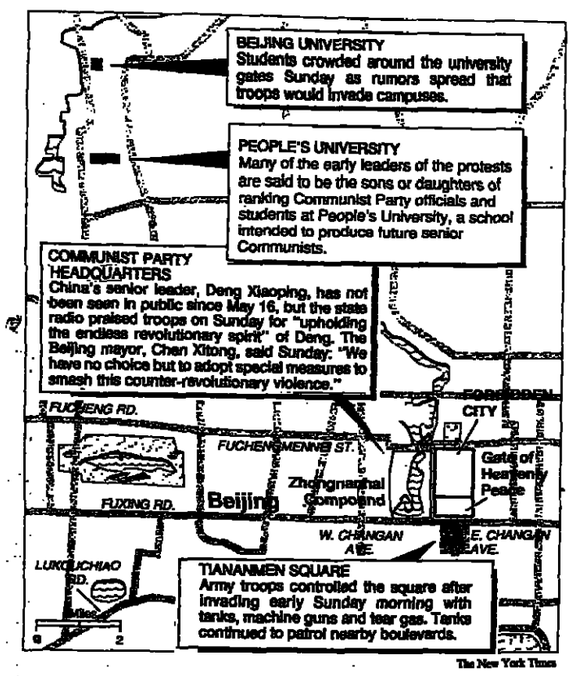
By Nicholas D. Kristof
New York Times Service

BEIJING — Clutching iron bars and bricks, the students glared at soldiers 100 yards away on the other side of Tiananmen Square. It was dark, although the fire from an armored personnel carrier that students had set ablaze cast a glow over part of the square, and the troops and vehicles could be dimly discerned in the haze.

From time to time, a group of them would advance on the soldiers to throw rocks and otherwise harass them. And then, often, they would be shot and killed. It was an unequal competition.

Enraged and desperate as they saw their friends fall and crimson stains grow on their chests, students and workers rushed to any foreigner they could find to call for help and urge that news of the crackdown be sent abroad.

This craving for an international response seemed almost universal on the square.



The New York Times

Until now, students had emphasized nonviolent tactics, and Sunday some still begged friends to put down their bricks and iron bars.

But many of the students seemed to have crossed their personal Rubicon on Sunday, when those who previously had clutched leaflets and megaphones picked up firebombs.

The most-obvious violence on Sunday in Tiananmen Square was against students and workers, because for the most part they were the ones getting killed. But they too used violence, against the police and army troops, although less effectively so.

When the students spotted an unarmed group of soldiers, they attacked with bricks and iron bars. But for the most part, the soldiers were armed and stuck together.

To be an American on the square Sunday morning was to be the object of fervent hope and inarticulate pleas for help.

"We appeal to your country," a university student begged as bullets passed overhead. "Our government is mad. We need help from abroad, especially America. There must be something that America can do."

It was not that students wanted or expected foreign forces to actively intervene. Rather, it seemed to be a moral judgment that they sought, and especially the hope that the news of the bloodshed would reach the outside world and not be covered up.

"You must tell the world what is happening," a university student urged, nearly incoherent with fury, "because otherwise all this counts for nothing."

Even if reports abroad did not reverberate back home, students said, at least they could give some meaning to the sacrifices. And so they sought out foreign journalists, tugging them toward the corpses, showing them the blood on the pavement, and begging them to write about what had happened.

Many asked that their appeals be transmitted to the United Nations, although none had a clear idea of what the United Nations could do to help.

"Maybe it can discuss this situation," a student said impatiently. "Anyway, we have to do something."

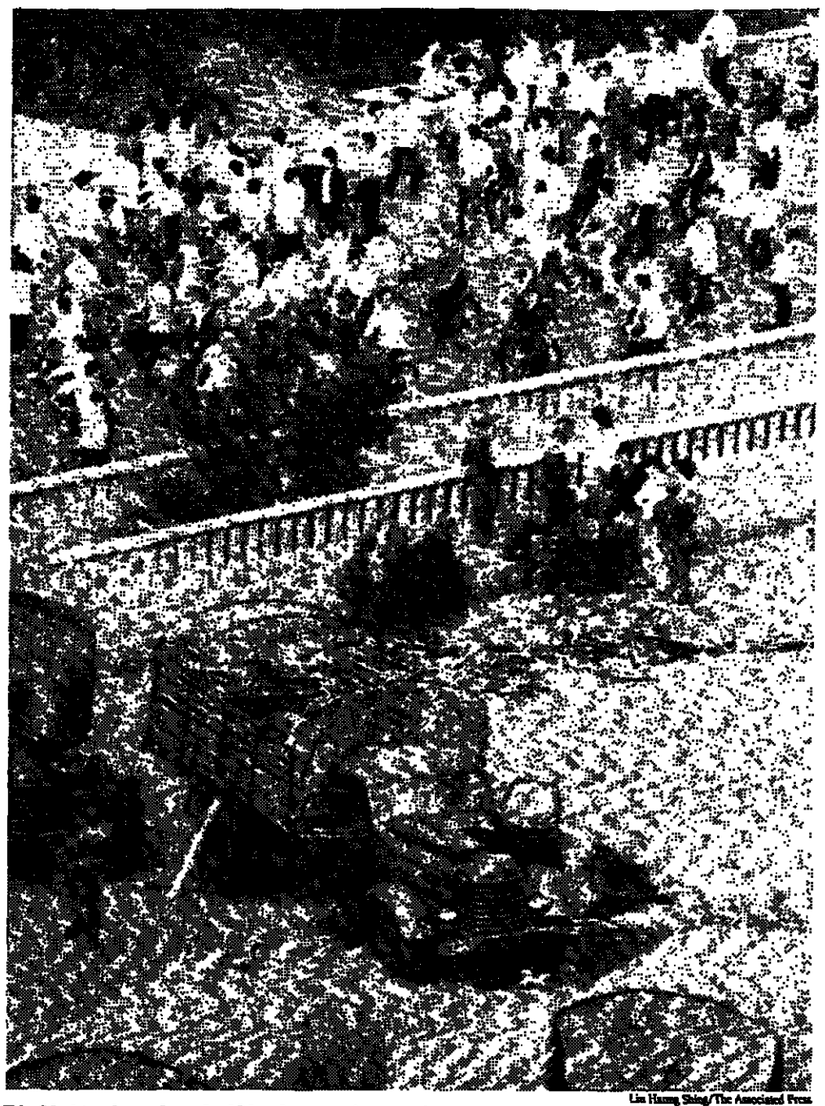
The diplomatic quarter in Beijing was roused from slumber Sunday by the rumble of seven armored personnel carriers careening by on the way to Tiananmen Square.

Then soldiers in truckloads arrived and, directly in front of the Jianguomenwai compound where many diplomats live, began firing submachine guns in the air.

In front of the Friendship Store, where souvenirs are sold, students and workers had turned over an army van and set it ablaze. In the Sanlitun diplomatic compound to the north, opponents of the government set a police station on fire.

In the lobby of the Beijing Hotel, undercover police officers searched photographers for film they had taken of the clashes, and one photographer was beaten when he refused to hand it over.

While there were few direct attacks on foreigners by police or soldiers, there seemed to be a hostility in the air from the government toward Western influences that had helped the democracy movement.


Lin Hanng Shing/The Associated Press

Disabled trucks and crushed bicycles at an intersection in eastern Beijing on Sunday testified to the attempt by citizens to halt army troops as they moved into the capital's center to end demonstrations.

Crackdown Draws Ire And Anguish Worldwide

Compiled by Our Staff From Dispatches

WASHINGTON — Governments around the world on Sunday greeted news of the violent suppression of demonstrators in Beijing with condemnation and concern.

The United States, Britain, France, West Germany and many other nations strongly criticized the action.

The Spanish foreign minister, Francisco Fernández Ordóñez, said Madrid's ambassador in Beijing had summoned all 12 European Community envoys for a meeting on Sunday. Spain holds the community presidency.

The Japanese response was more muted. Foreign Minister Hiroshi Mitsuzuka said in a television interview, "I am deeply concerned about the situation in China."

A Foreign Ministry spokesman, Taizo Watanabe, said Japan hoped China would "avoid changing the situation for the worse."

There was no official comment from Soviet officials on the clashes. The official news agency Tass said only that there had been deaths and injuries when Chinese troops crushed protests in Beijing. Its report gave few details.

In the United States, President George Bush said: "I deeply deplore the decision to use force against peaceful demonstrators and the consequent loss of life.

"I hope that China will rapidly return to the path of political and economic reform and conditions of stability," Mr. Bush added, "so that this relationship, so important to both our peoples, can continue its growth."

Mr. Bush's statement followed a television interview in which Secretary of State James A. Baker 3d deplored the use of "excessive force" by Chinese authorities but warned against any precipitous move to end military and technological cooperation between the United States and China.

In an appearance on ABC-TV, Henry A. Kissinger, a former secretary of state, also supported a moderate approach.

But in Congress, pressure appeared to be building for a stronger U.S. response. In statements reflecting concerns at both ends of the political spectrum, the Senate Democratic leader, Alan Cranston of California, and the conservative Republican Jesse Helms of North Carolina said they would both seek support for a bipartisan measure to stop arms sales to China.

Mr. Cranston issued a statement Sunday saying: "The United States is committed to the movement for democracy worldwide. The Tiananmen Square massacre is a tragic setback to that cause."

Senator Helms and Representative Stephen J. Solarz, a liberal Democrat from New York, urged a prompt cutoff of arms sales and high-technology transfers to China.

Protesters in cities across the United States, Western Europe and Asia rallied outside Chinese embassies and consulates Sunday, some demanding a break in ties.

Some 2,500 protesters rallied peacefully outside the Chinese Embassy in Washington, D.C. Demonstrations were also organized in New York City, Dallas, Chicago, Philadelphia, Atlanta and Tallahassee, Florida.

There were also marches in Taipei, Paris, London, San Francisco, Los Angeles, Oslo and Vancouver.

The French foreign minister, Roland Dumas, told reporters in Paris, "I am dismayed by the bloody repression which has just occurred in Beijing against an unarmed crowd of demonstrators.

"Brutal force was used to stop, to brake the growing movement for the ideals of liberty," Mr. Dumas said. "This action clearly runs counter to the cause of history."

West Germany condemned the crackdown and urged Beijing to return to its reformist course.

"The federal government appeals to the Chinese leadership to seek peaceful and political solutions to the conflict and to return to its universally welcomed policies of reform and openness," the Bonn Foreign Ministry said in a statement. *(WP, Reuters, AP, UPI)*

In Hong Kong, Outrage and Trepidation

By Coleen Geraghty
International Herald Tribune

HONG KONG — Outraged by the massacre of civilians in Beijing, hundreds of thousands of Hong Kong residents took to the streets Sunday to condemn the Chinese government, as anxiety over the colony's future under Chinese rule reached a new pitch.

The assault seemed likely to increase the exodus of residents from Hong Kong and to heighten the pressure on Britain to extend residency rights to Hong Kong citizens.

Residents expressed shock and anger Sunday at the Chinese authorities' violent tactics against the protesters, who in the past few weeks have gained overwhelming support — and millions of dollars in donations — from the territory's 5.5 million people.

Union leaders and organizers in the colony and in the neighboring Portuguese enclave of Macao called for a protest strike Wednesday that is likely to shut most nonessential activities.

In addition, two lawmakers announced they would boycott meetings being held between officials in China and Hong Kong to arrange the transition to Chinese sovereignty. Hong Kong reverts to Chinese rule in 1997 and Macao in 1999.

[In London, Prime Minister Margaret Thatcher said Britons were "all deeply shocked by the news from Peking and appalled by the indiscriminate shooting of unarmed people," Agence France-Presse reported.

[Mrs. Thatcher, who negotiated the 1984 agreement under which Hong Kong is to revert to Chinese rule, pledged that Britain would "continue to stand by its commitment to a secure future for Hong Kong." But, she said, her government was "confident that the Chinese government also will continue to abide by their obligations under the 1984 agreement."

[She said she viewed "these events in Peking with particular concern because of our responsibility for Hong Kong." The people of Hong Kong have shown a "steadfastness in the face of these latest tragic events" which she "admired," she said.]

Under the Chinese-British agreement, China promised to preserve Hong Kong's society and economy for 50 years under a "one country, two systems" concept that would allow capitalism to exist under communism in a government run by Hong Kong people without Chinese interference.

At a rally attended by an estimated 200,000 people on Sunday, union leaders called for the general strike on Wednesday to show solidarity with the mainland Chinese. Szeto Wah, a legislator and head of the Hong Kong teachers' union, urged shops and factories to close and schools to cancel classes.

He and a legislator, Martin Lee, said they would not take part in further work on the Basic Law, the document that is to become Hong Kong's constitution after China resumes sovereignty over the territory in 1997.

"I will not work with an administration that does not have the mandate of the people," Mr. Lee told the crowd assembled at the Happy Valley racetrack.

The suppression of the democracy movement has increased anxiety among Hong Kong's residents, the great majority of them Chinese, about their future under Chinese rule.

Hong Kong's governor, Sir David Wilson, expressed "shock and deep sadness" at the violence in China, but did not condemn the Beijing government.

A legislator, Jimmy MacGregor, said the governor "has gone as far as he can possibly go" considering his role as a representative of the British government, but others felt he should have spoken out more forcefully against the Chinese authorities.

"Shock and sadness are more appropriate emotions for victims of a train crash," said an irate caller to a local radio show.

The rally marked the third consecutive Sunday that Hong Kong people have demonstrated in support of the burgeoning democracy movement in China. This time, participants waved flags of black or white, the Chinese colors of mourning, and carried banners that read "Down with the killer warlords."

Members of the Legislative and Executive councils have scheduled an emergency meeting for Monday to discuss the events in China.

Following the crackdown, there were renewed calls for Britain to extend the right of abode to Hong Kong citizens, who will have no legal right to settle in Britain after 1997.

■ Britain's Responsibilities

Selina Chow, a member of the Hong Kong Legislative Council, said in London that Britain must re-examine its responsibilities toward Hong Kong, The Associated Press reported.

"First," she said, "the British government should approach the government in Peking — maybe after the disturbances have died down — and explain how confidence in Hong Kong has been undermined."

Mrs. Chow added: "Britain should then propose either a renegotiation or a suspension of the agreement by which Hong Kong reverts to China in 1997."

■ Protest in Macao

More than 50,000 people took to the streets of Macao on Sunday to protest the bloodshed in Beijing, marching to the enclave's barrier gate with the mainland, Agence France-Presse reported.

The protesters chanted slogans against Prime Minister Li Peng, the senior leader Deng Xiaoping and President Yang Shangkun.

The protesters chanted "Assassins! Fascists!" and burned effigies of the Chinese leaders.

■ Mourning in Taiwan

Thousands of Taiwan students, many of them weeping, gathered in Taipei on Sunday to mourn the killing of their colleagues in China, and the government placed the military on increased alert, Reuters reported from Taipei.

At least 10,000 students stood in a city square holding banners reading "The Violence Must End" and "We Will Stand With You Forever." Outside the square, Buddhist monks in funeral robes offered incense at a makeshift shrine.

ASSESS: *Deng's Choice*

(Continued from page 1)

influence that now threatens to unravel, particularly in Hong Kong and Taiwan.

Mr. Deng and Mr. Li, the apparent victors in a power struggle with Zhao Ziyang, the architect of the economic and political opening of the past decade, appear to have been unintimidated by the strong likelihood that bloodshed in the streets would bring strong political pressures in the United States for a review or a suspension of U.S. military sales and cooperation with the Chinese. These ties had already come under strain in recent months because of secret Chinese missile sales to the Middle East.

U.S. business has become the largest overseas source of foreign investment and technology transfer for China in recent years. Mr. Zhao had actively sought these transfers as a way of transforming China's centrally planned economy into one that was more market oriented. Without him and his associates in positions of authority, new investment is likely to dry up.

The problems that China will face in its relations with the West may give Mikhail S. Gorbachev, the Soviet leader, a limited opportunity to push ahead his efforts to extend Moscow's influence in China and the rest of Asia. China resumed full relations with the Soviet Union only three weeks ago during a high-profile visit visit by Mr. Gorbachev.

Although the Chinese leadership appears to harbor a lingering distrust of Soviet intentions, Mr. Gorbachev was reported by Chinese analysts to have made some headway in persuading Mr. Deng that Moscow no longer represents a direct security threat to China.

He would also appear to have more leeway than Western officials in refraining from criticizing the Beijing bloodshed.

The most immediate impact of the weekend violence is being felt in Hong Kong, which is due to come under Beijing's control in 1997. Demonstrations, some attracting half a million or more people, have been held in the British colony since the political crisis began in Beijing six weeks ago.

Chinese officials have repeatedly said they want the economically dynamic free port to continue to function as it does now.

But the violence in Beijing may already be curtailing the chances of that happening, whatever China's true intentions are.

"The leaders in Beijing know they will get Hong Kong, that the British have no options but to go ahead with the deal," said Mr. Friedman.

"But who will want to invest there with the uncertainty hanging over China?" he said. "They may be in the process of killing the goose that lays the golden eggs before they ever get their hands on it."

Taiwan, which had been gradually increasing its economic and governmental ties to the mainland, is also likely to pull back from new arrangements while power is contested in Beijing.

Another practical consequence of the upheaval is likely to be an increase in the number of Chinese students now studying abroad who will not return to their homeland.

A French official said that requests for political asylum from Chinese students would be difficult to refuse at the moment. An estimated 40,000 Chinese students are studying abroad, nearly 30,000 of them in the United States.

Chronology of Protest

New York Times Service

Demonstrations by students and workers demanding greater democracy and an end to government corruption continued for more than six weeks in Beijing's central Tiananmen Square before the government resorted to armed force to suppress them. Here are the major events in the sustained protest:

April 18 — Several thousand students march through the capital in predawn hours, chanting democratic slogans, singing revolutionary songs and mourning a deposed Communist Party leader, Hu Yaobang, who died April 15.

April 22 — Defying a ban on public protests, more than 100,000 gather in Tiananmen Square to press demands for more democracy. Tens of thousands of university students begin camping all night in the square, foiling government plans to close off the area.

April 29 — Waving banners commemorating a similar demonstration 70 years earlier, protesters march through the streets of the capital demanding greater press freedom and more democracy.

The march follows the government's rejection of the students' conditions for formal talks to resolve their differences. Demonstrations are also held in Shanghai, Nanjing and other cities.

May 13 — About 2,000 students begin a hunger strike at Tiananmen Square.

May 14 — An unannounced Politburo meeting reportedly endorses the moderate line of the Communist Party leader, Zhao Ziyang, including more discussions with the students and limited steps toward greater democracy.

May 15 — Mikhail S. Gorbachev arrives in Beijing to seal the reconciliation of the two Communist nations. Hunger strikers camped out in the square refuse to end their vigil, forcing the authorities to move their welcoming ceremony for the Soviet leader to the airport.

May 19 — Prime Minister Li Peng warns that chaos in Beijing is spreading all over the country. The government capitulates on a key student demand by arranging a nationally televised meeting between Mr. Li and leaders of the protest.

"We've come too late," a tearful Mr. Zhao says at the meeting. "You have good intentions. You want our country to become better. The problems you have raised will eventually be resolved."

May 20 — Troops are called into the capital and martial law is imposed in parts of the city as the government attempts crack down. "We must adopt firm and resolute measures to end the turmoil swiftly," Mr. Li says.

Tens of thousands of people rush out of their homes blocking troops from reaching demonstrators in the central square. Later in the day, about one million Chinese take to the streets to defy martial law.

Reports circulate that Mr. Zhao has been stripped of all power, retaining only his title of general secretary of the party.

May 25 — Mr. Li declares that his government is in control and sends a letter to troops encircling Beijing, expressing the hope that "the troops will overcome the difficulties confronting them" and "successfully impose martial law."

May 27 — Some student leaders call for an end to their occupation of Tiananmen Square, but say they will continue to hold large-scale demonstrations to press for greater democracy and the resignation of Mr. Li.

June 2 — Unarmed troops try to march on the square but are driven back by thousands of citizens.

June 3 — A violent confrontation begins as troops again march on the square, beating dozens of protesters before retreating.

June 4 — Troops and tanks return to the square, opening fire on the throngs.

CHINA: *Army, Firing at Crowds, Tightens Its Grip*

(Continued from page 1)

students had set up. They did not first check to see if students were inside the tents, and at least some were widely believed to have been crushed to death.

The troops then sealed off Tiananmen Square and started a huge bonfire; many Beijing residents assume that the soldiers cremated corpses to destroy the evidence.

The banned student union said that 2,600 students were believed to have been killed. Several doctors said that, based on their discussions with ambulance drivers and colleagues who had been on the square, they estimated that at least 2,000 had been killed. Some of these estimates appeared high and based principally on antipathy for the government.

Soldiers also beat and stabbed students and workers, usually after some provocation, but sometimes entirely at random.

"I saw a young woman tell the soldiers that they are the people's army, and that they mustn't hurt the people," a young doctor said after returning from one clash. "Then the soldiers shot her, and ran up and bayoneted her. I ran away, so I couldn't tell if she lived or died."

News of the killings quickly spread to other parts of China, principally by radio reports from Voice of America and the British Broadcasting Corp.

Some of the broadcasts have been jammed recently, but not on all frequencies.

In Shanghai, some supporters of the democracy movement reacted to the killings in Beijing by going on strike, a diplomat in Shanghai said in a telephone interview. However, few factories are open on Sundays, so the real test of a strike will come Monday. Many people doubt that a strike will be successful because of a lack of organization among workers.

In addition, Shanghai residents expressed protest by erecting barricades throughout the city to block traffic. They commandeered city buses and parked them across streets, and felled telephone polls to block the streets. Apparently, the purpose was not only to express outrage but also to facilitate a general strike by disrupting transportation.

In Northeast China, small demonstrations to protest the killings in Beijing were held in Shenyang, Dalian, and Changchun. However, in those areas there has not been much talk of a general strike, a diplomat said.

China's television news on Sunday night showed the army knocking down a likeness of the Statue of Liberty that had been placed by students on the square. It hailed troops for "victoriously crushing this counterrevolutionary rebellion.

"Their heroic actions and glorious exploits have been warmly praised and by the broad masses of students and citizens," the broadcast said.

The program did not mention civilian casualties, but said that three soldiers had been killed and that two were missing.

In fact, one of the three — a man who was described as "beaten dead by ruffians on Jianguomen bridge" — was actually run over by an armored personnel carrier.

The official news also indicated that people had destroyed 31 army trucks, 23 police cars, two armored personnel carriers and 31 buses. In fact, those numbers seemed much too low, for in many areas in Beijing people reacted to the killings by torching vehicles and creating blockades. The troops only controlled a few major thoroughfares; elsewhere, citizens continued to control the streets.

One soldier who had shot a child was overpowered by a crowd in the Chongwenmen District early Sunday, and then hanged and burned as he dangled from a bridge. Troops later cut down his smoking corpse.

The government issued an "emergency announcement" calling for the return of weapons that it said had been taken from the army, as well as demanding that "kidnapped" troops be returned. The announcement could be interpreted as preparing the way for an attack on several universities, on the ground of recovering stolen weapons.

Student leaders apparently have some submachine guns that were taken from soldiers or from supply trucks, but at least so far they have seemed more interested in displaying the weaponry than in using it.

Students at People's University also seized an armored personnel carrier and drove it around their neighborhood.

There was no announcement from China's senior leader, Deng Xiaoping, Prime Minister Li Peng or other officials who presumably ordered the military attack on student demonstrators. Mr. Li is believed to be winning so far in a major power struggle with Communist Party Chairman Zhao Ziyang, who favors a more moderate line toward protesters.

The demonstrations began after the death April 15 of a former Party leader, Hu Yaobang.

Students at Beijing University were busy making firebombs that they planned to hurl against troops whom they expected to assault the campus. It is also possible, though not necessarily likely, that some students would use guns they have obtained recently against attacking troops.

A doctor said that there was little chance for a general strike to succeed, because the army would force people to do their jobs on pain of death.

"We have no guns, so we can't fight," the doctor said. "But after a few months, the movement will bubble up again."

U.S. Report Slips Into China News

Reuters

BEIJING — In what appeared to be either an oversight or a staff member's defiance, the official Xinhua news agency on Monday gave its readers a U.S. view of the army's weekend assault on Tiananmen Square.

In a Washington-datelined item, the agency's English-language service issued the headlines and first paragraphs of reports from Sunday editions of The New York Times and The Washington Post.

In contrast to official Chinese media accounts stressing army casualties and defense of the Communist state against a small band of troublemakers, the item quoted the U.S. newspapers as saying that scores of demonstrators were killed and thousands fought back against well-armed troops.

The agency routinely publishes a report on U.S. news items — almost always on domestic events.

On Sunday, people listening to the English-language service of the official Radio Beijing were stunned when an announcer condemned the assault on Tiananmen Square.

The announcer, apparently a renegade employee, said: "Thousands of people, most of them innocent civilians, were killed by fully armed soldiers when they forced their way into the city."

The BBC, which monitored the report, said the announcer was immediately replaced.

BEIJING: *'Citizens Have Gone Crazy,' Witness Says*

(Continued from page 1)

they would not fire, but they also admitted that they had to follow orders.

"We have to obey orders because we are soldiers," said one uniformed trooper who was driving a truck. "Otherwise, we will be punished. In any case, there's no way they will order us to shoot the people."

His platoon commander was firm. "We don't fear being beaten by you people," he said as he climbed out of the truck. "We just fear that our guns will be taken and then we will have chaos."

Everywhere in the vicinity of the convoy was the sound of hissing, as people let out the air from the tires of as many trucks as they could.

"Why do you have guns?" shouted one man.

"A man is not a soldier without his gun, is he?" came the reply of a soldier carrying an AK-47 automatic rifle.

An old man took up the cause. "I tell you, there will be no good end for you if you follow your order loyally," he screamed. "You have parents, you have brothers and sisters. You should not beat your fellow citizens under any circumstances."

The frenzied citizens were climbing onto the trucks, trying to intimidate the soldiers. But anger was mixed with horror as the people saw how the soldiers handled their rifles and watched as several tanks pulled up.

"Is this the way Li Peng shows how martial law protects the people?" said a man sitting on a rail.

Another man said, "When they shoot with real bullets, it will be doomsday."

Hours later, the troops opened fire.

In the afternoon, the scene near the walled-in Communist Party compound, where about 30 tear-gas bombs were released, had been the first site of violence.

But now that seemed tame. A 20-minute conflict between 300 to 400 riot policemen and hundreds of citizens seemed to have galvanized the citizens. They began to believe that the government was willing to use force — rubber bullets, broken bricks, truncheons — against the people.

"I couldn't keep my eyes open because of the dense tear gas," said Lu Baochun, 26. "It was the troops that first used bricks and tiles to attack, and the citizens fought back."

Mr. Lu had rushed back to the scene, a chaotic swirl of thousands of people darting back and forth inspecting broken bricks and glass and examining the white powder-like splotches on the street apparently from the tear gas.

"When I went into the house of a nearby citizen to wash my eyes with fresh water, I saw several children lying on their stomachs on a bed," said Mr. Lu, whose own face and neck were reddened from the gas. "They had wet towels covering their mouths, and an old woman was beside them weeping."

Now he was standing at the Communist Party headquarters shouting with rage at two-dozen soldiers with long truncheons and green helmets, sweating in their heavy green uniforms under the sun.

Some citizens gathered around people they thought had been witnesses to the attack. Others crowded together discussing the event, many apprehensive about how far the government would go.

International Herald Tribune
Published With The New York Times and The Washington Post

Now Printed in New York For Same Day Service in Key American Cities.

To subscribe call us toll-free in the U.S.:
1-800-882 2884.
(In New York, call: 212-752 3890.)
Or write: International Herald Tribune, 850 Third Avenue, New York, N.Y. 10022.
Or Telex: 427175. Or Fax: 212-755 8785.

Jack Belden Dies; Chronicled Rise of Chinese Communists

International Herald Tribune

PARIS — Jack Belden, 79, a journalist and author whose books were among the first to document the rise to power of China's Communists, died here Saturday of lung cancer.

Mr. Belden was a leading writer on China during the 1940s and 1950s, when his books, "China Shakes the World," "Retreat With Stilwell" and "Still Time to Die" were published.

Alfred Goodwin Belden arrived in China in 1933, jumping ship in Shanghai, after a stint as a merchant seaman after graduation from Colgate University. He studied Chinese in Beijing while earning a living there teaching English.

As China came closer to war with Japan, he worked as a reporter and columnist for the Evening Post and Mercury, in Shanghai, and then joined an American wire service, United Press. Later, he freelanced for several British papers.

It was during the middle 1930s that he became a close friend of Joseph W. Stilwell, then U.S. military attaché and later a general who served as Allied chief of staff in China. Mr. Belden was the only correspondent to complete the long march out of conquered Burma to India in 1942 with General Stilwell, after the Chinese troops he commanded were defeated by the invading Japanese. From that experience came Mr. Belden's first success, "Retreat With Stilwell," published in 1943.

Describing him in those days, the late American historian Barbara Tuchman, in her book "Stilwell and the American Experience in China, 1911-45," called him a "a great romantic and idealist, moody, driven, alternately gay and despondent," and quoted a friend who remembered Mr. Belden as "a sad, ragged, torn, incredible character."

Mrs. Tuchman added that Mr. Belden "became a close companion and valued informant" for General Stilwell. "He would periodically disappear on excursions through the intricate corridor of Chinese affairs," she wrote, "bringing Stilwell reports on Chinese movements and intentions and an abundance of material on the reputations of commanders and relationships that governed them."

In 1943, Mr. Belden joined the staff of Time magazine in Chongqing, then known as Chungking, as a reporter, and a year later went to Italy for Life magazine to cover the Allied invasion of Europe. Severely wounded as he went ashore with the first waves of troops at Salerno, he was evacuated to a military hospital in Algiers and later to the United States.

He was back in action in six months, in time for the Liberation of Paris in August 1944, and covered the last-ditch German offensive in the Ardennes as well as the German surrender.

He returned to China several times after World War II, including two years in Communist-controlled areas from 1946 to 1948 and a final trip in 1971, where he spoke with Foreign Minister Zhou Enlai for the first time since their meeting in the Chinese interior in 1937.

His earlier years in China were described in "Still Time to Die," published in 1944. He also wrote several long epic poems and an unpublished autobiography.

Frederic Prokosch, 81, An Author and Professor

PLAN DE GRASSE, France (LAT) — Frederic Prokosch, 81, expatriate author, poet, professor, publisher and cultural attaché, died Friday of a heart attack at his longtime home here.

His first novel, "The Asiatics," received critical and popular success when it was published in 1935. Translated into 17 languages, the novel, a semiautobiographical account of a young American on an odyssey from Beirut to China, was praised by T.S. Eliot, André Gide, Thomas Mann and Albert Camus.

Although Mr. Prokosch wrote other popular novels and several books of poetry, none received quite the acclaim of his first. It was reissued in 1983, when his last book, "Voices," a collection of memoirs, was published.

C.L.R. James, 88, Critic, Author and Historian

LONDON (NYT) — C.L.R. James, 88, a Trinidadian-born historian, literary critic and philosopher who was a leader of the pan-African movement, died of a chest infection Wednesday at his home in London.

A prodigious and eclectic intellectual, Cyril Lionel Robert James, known always by his initials, debated Marcus Garvey in England, confronted Trotsky in Mexico, helped conceive pan-Africanism and influenced leaders of African revolutions including Kwame Nkrumah of Ghana.

Mr. James's "Minty Alley," written in 1927, was one of the first English-language novels written in the West Indies. In 1938 he wrote "The Black Jacobins: Toussaint L'Ouverture and the San Domingo Revolution," regarded as the first analysis of the Haitian Revolution in the context of the French Revolution.

■ *Other deaths:*

The sixth Earl of Enniskillen, 70, a longtime resident of Kenya and a former legislator there, Tuesday in Perth, Scotland.

Professor Bruce T. Simonds, 93, a pianist and a former dean of the Yale University School of Music, of kidney failure Friday in Hamden, Conn.

Alfred Winslow Jones, 88, an investor who founded one of the first hedge funds on Wall Street, Friday in Redding, Connecticut.

Richard Moore Rive, 59, a South African poet and author of mixed race who wrote about the plight of mixed-race people, was found bludgeoned and stabbed to death in his Cape Town home on Sunday morning, the police said.

Japanese Inaugurate High-Definition TV

New York Times Service

TOKYO — Japan has begun the world's first daily broadcasts of high-definition television programs, leaping ahead in a politicized race with the United States and Europe for command of the next generation of TV technology.

The first signals appeared on 89 giant screens around Japan, with scenes of the Statue of Liberty and New York Harbor.

Although the backdrop was American, the star of the show was the gadgetry: satellite pictures of movie-theater quality, sometimes so clear that they seemed three-dimensional.

"Television was initiated by the United States," said Keiji Shima, the chairman of NHK, Japan's national television network, before the transmissions. "But Hi-Vision will be led by Japan."

Hi-Vision is what Japan calls its high-definition system. NHK has been working on the technology for more than a decade.

The signals, which started Saturday, will be viewed by few: Receivers still cost about $60,000 and are not yet commercially available.

Nonetheless, Japan is already moving to drum up popular enthusiasm for the technology, looking ahead to the day when the equipment, including a satellite dish about the size of a small pizza, costs a few thousand dollars.

Large-screen receivers have been set up in post offices from Okinawa to Hiroshima, in department stores in Osaka and at the headquarters of Sony, Hitachi and other big electronics companies. Programming will initially last an hour a day.

The rapid arrival of high-definition TV in Japan has provided Washington with what it sees as another example of sliding American competitiveness.

High-definition technology is expected to have wide application in other fields, including personal computers, semiconductors, telecommunications and manufacturing equipment.

Congress has been debating setting up an industrial consortium to catch up with Japan and, to a lesser degree, with Europe.

CAREER OPPORTUNITIES

PROMOTION EXECUTIVE

The International Herald Tribune
wishes to recruit a
Promotion Executive
to join the paper's Paris headquarters.

Reporting to the Publisher and the Associate Publisher, the Promotion Executive will help them shape the IHT's overall promotion strategy and programs – with particular emphasis on circulation development in a variety of countries and cultures. Working with a small promotion team, he/she will need to have well-developed creative abilities and must be able to write good promotion copy in English. Experience with an English-language publication or an advertising agency would be a definite advantage. Applicants should be of English mother-tongue but knowledge of French would be a plus. The candidate must be able to work well under pressure – and to get along smoothly with people of many cultures and disciplines.

Salary will depend on experience. Excellent opportunities for profesional development with the world's fastest-growing international publication.

Please address your C.V. and references to:
Mrs. Bernadette Jeanroy
Personnel Director
INTERNATIONAL HERALD TRIBUNE
92521 Neuilly Cedex. France

Agence de communication et public relations

cherche son

Directeur général
expérience européenne

Le job : • *Développer la clientèle existante au niveau européen.* • *Recruter de nouveaux talents de différentes nationalités.* • *Animer l'équipe.*

Il est demandé : une expérience d'au moins cinq ans dans la communication corporate (public relations, public affairs, événements, press relations), la connaissance des principaux pays du Marché Commun, un réseau de relations efficace.

Il est offert : une situation stimulante dans une agence connue, au sein d'un groupe de conseil, de larges possibilités de développement personnel.

Le job est basé à Paris.

Merci d'adresser votre curriculum vitae à Jean-Julien Baronnet, Directeur Général, sous réf. 269/I.
Consultez aussi le MINITEL 3617 code KRIEF.

BERNARD KRIEF CONSULTANTS
115, rue du Bac - 75007 Paris
PARIS LYON STRASBOURG TOUL

Africare
Africare House • 440 R Street, N.W. • Washington, D.C. 20001
Tel: 462-3614 (202) Fax: 387-1034 • Telex: 64239

AGRICULTURAL MARKETING ECONOMIST

to conduct studies on markets, market participants and price determination in rural enterprise development project in C.A.R. This is a 2-year contract. Qualifications include: M.S. Agricultural Economics, Agri. Marketing or other related field; prior experience in West Africa credit marketing; knowledge of farming systems methodology; survey data collection and analysis of crop production; strong organizational and communications skills. Applicant must be fluent French.

Salary range $30-40K. Jeff Gray, (202) 462-3614.
Send resumes Africare, 440 R St., NW, Washington D.C. 20001.

* * *

CIVIL ENGINEER

2-year assignment to manage, survey, design and supervise construction of water shed structures: Earthen reservoirs; Gabion Diversions; holding tanks in Northeast Somalia. Qualifications include: 2-4 years prior overseas work, B.S. Civil Engineering. Isolated post; family cannot accompany.

Salary range $40-50K. Jeff Gray (202) 462-3614
Send resume Africare, 440 R St., NW, Washington D.C. 20001.

International Fund for Agricultural Development, IFAD (United Nations) Rome (Italy) seeks candidates to fill post of

Analyst/Programmer Management Information Systems.

Undertaking systems analysis and programming activities:
– analyzes user requirements;
– prepares programming specifications and system prototypes;
– assists in planning and execution of integrated systems testing.

QUALIFICATIONS & EXPERIENCE: University degree or equivalent preferably in Computer Science/Mathematics. 5 years experience in programming and complex computer applications, design and development. Experience with database including fourth generation languages in an IBM mainframe environment. At least one assignment in an International Organization or multicultural environment. Good English.
Depending on experience and qualifications, net base salary per annum will range from U.S. $25,474 to U.S. $35,997. Cost of living allowance will range from U.S. $12,097 to U.S. $12,961, subject to change according to United Nations Common System.
Initial contract is for two years. Deadline for applications July 23, 1989. Only shortlisted candidates will receive acknowledgment.

Send two applications to:
Personnel Division,
IFAD
Via del Serafico, 107,
00142 ROME, Italy.

EUROPEAN BUSINESS SCHOOL
LONDON · PARIS · FRANKFURT · MADRID · PARMA

The European Business School with centres in the UK, France, Germany, Spain and, most recently, Italy is the leading private university business school in Europe. EBS is now strengthening its academic team at the highest level and invites applications for the post of:

ACADEMIC DIRECTOR

Reporting directly to the international board, the Academic Director will be based in London with responsibility for formulating academic strategy for existing and new programmes and the coordination of academic activities throughout our European centres. The ideal candidate will be a committed European and have a combination of first class academic credentials and business experience. He or she will have worked effectively in a European context (experience of academic leadership in a post-graduate European business school could be an advantage) and will be proficient in two or three European languages. The opportunities for financial and career growth are outstanding.
Candidates should write (citing on the envelope ref. no: IHT89ADL) in confidence to:

The Administrative Director
The European Business School, Regent's College
Inner Circle, Regent's Park, London NW1 4NS
Fax No: 01-487 7465

APPLICATIONS SHOULD BE RECEIVED BY 15 JULY 1989

DIRECTOR, UNIVERSITY OF HARTFORD BUSINESS SCHOOL IN PARIS (UHBS)

The University of Hartford seeks a Director of its Business School in Paris (UHBS). Created in 1985, UHBS functions as a branch of The University's Barney School of Business and Public Administration and offers a full-time American MBA program. Located near Arc de Triomphe, UHBS employs four staff who are responsible for all programming. Qualifications: appropriate degree (Ph.D. preferred), knowledge of American MBA programs, experience in academic administration, knowledge of the French business and educational community; must have/obtain appropriate working papers. French fluency desirable. Director lives in Paris, some travel required; salary competitive. Send resume (including names/telephone numbers of three references) to: Dr. R. Torrisi, Barney School, University of Hartford, West Hartford, CT 06117 (FAX 203 243-4070).
Review begins June 7. The University of Hartford is an equal opportunity/affirmative action employer and specifically invites and encourages applications from women and minorities.

UNIVERSITY OF HARTFORD
West Hartford, Connecticut 06117

EXECUTIVES AVAILABLE

FRENCH GENERAL MANAGER CAN BE YOUR AMBASSADOR IN EUROPE

I have successful and prestigious start-up experience in the European computer market. 39 years, accustomed to working with and reporting to American firms, I have created computer companies in France, Italy and Spain, and have started activities in Holland, Greece, Africa and the Middle East.

I'm a winner, ambitious and ready to take on a new challenge.

If this challenge is also yours,
you may contact me on 33 1/30 43 80 83,
or write to: Box D265, 181 Ave. Charles de Gaulle,
92621 Neuilly Cedex (France).

EXECUTIVES AVAILABLE

INDUSTRIAL MARKETING
Expert

Is seeking a responsible and challenging position in sales/marketing management where can utilize 25 years of worldwide experience in sales, engeneering and international marketing and administrative operations, with preference in the Washington D.C. area.

Reply: Ref. 19
International Herald Tribune
Pedro Teixeira, 8-5º
28020 Madrid (Spain)

SALESMANAGER - ENGINEER
early 40's (German/English), C workpermit, flexible, dynamic, Textile-allrounder, experience in sales (machines), some USA education & experience, seeks new career in upper management, region Zurich CH, also textile-related areas possible (American, European subsidiaries of interest).
Reply to: Box D-269,
IHT, 181 Ave Charles de Gaulle,
92521 Neuilly Cedex, France.

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

LOW COST FLIGHTS

ACCESS VOYAGES

	One Way	Round Trip
New York	F1000	F2000
San Francisco	F1590	F3180
Los Angeles	F1590	F3180
Atlanta	F1795	F3380
Dallas	F1795	F3380
Chicago	F1400	F2800
Miami	F1450	F2980
Washington	F1560	F2920
Montreal	F1000	F1890
Vancouver	F2250	F4095
Rio de Janeiro	F3195	F5150
Bali	F4595	F6550
Tokyo	F3990	F6750
Caribbean	F1690	F2780

and more destinations ...
Discount on 1st & business class
Rates subject to modifications
Restrictions may apply
Tel: (1) 40.13.02.02 & 45.21.46.94
6 rue Pierre Lescot, 75001 Paris
Metro - RER Chatelet Les Halles
(Lic. 1.75.111)...and also

ACCESS IN LYONS
Tour Credit Lyonnais, 129 rue Servient
69003 Lyons. Tel: (16) 78 63 67 77
Book now by phone with credit card

LOW COST FLIGHTS

WORLDWIDE scheduled departures at the lowest ever discount: economy or 1st class airfare. Credit cards possible. Paris 43 59 59 13 or Fax 42 56 25 82

AMERICAN TRAVEL Agency in Brussels will handle all your corporate & private travel. Fast & Sabre computerised. Call 02-2100767 Fax: 230-0426

AUTOS TAX FREE

TRASCO BREMEN, from stock '88 and '89 Audi 80 / Ford Sierra / Opel Corsa, Kadett, Vectra / VW Polo, Golf, Jetta, Passat / Mercedes 230 E, 260 E, 300 SE, 500 SE '87, 500 SEL '86. Steinlanen 38, D-2820 Bremen 77, Germany. Tlx: 246624. Fax: (0)421/ 632205. Tel: (0)421/633044.

AUTOS TAX FREE

TRASCO BREMEN Mercedes + Audi Armored cars & stretched limousines from stock. Steinlanen 38, D-2820 Bremen 77 Germany. Tlx: 246624. Fax: (0)421/632205. Tel: (0)421/633044.

AUTO RENTALS

PARIS
ALL INCLUSIVE RATES
FORD FIESTA
FF250/DAY FF1,875/WEEK
FORD ESCORT
FF375/DAY FF2250/WEEK
FORD SIERRA
FF490/DAY FF2940/WEEK
CENTRAL RENT-A-CAR
PARIS, CITY/AIRPORT (1) 42.60.52.02
NICE 93.21.27.37 minimum 2 days rental.

AUTO SHIPPING

TRANSCAR 17 av de Friedland, 75008 Paris. Tel 4225 6444. Nice 9321 3500. Antwerp 233 9985. Cannes 9939 4344.

HOLIDAYS & TRAVEL

HOLIDAYS IN MEDIEVAL THREE-FLOOR TOWER - ITALY
[1 bedroom + 2 additional sofa beds], classified historical monument, furnished with taste, right in Italy's cultural and geographical heart, away from beaches and tourists, near Città di Castello/Umbria, a small town amongst beautiful scenery. Available July/August. Would suit perfectly for couple eventually with 2-3 children aged 6 years onwards. SFr. 1000 per week, including taxes. Address: L. Fowre, 22 Terrassière, CH-1207 Geneva. Phone 22/735 23 95.

HOTELS

GREAT BRITAIN

THE BARKSTON HOTEL
BARKSTON GARDENS
LONDON SW5 0EW
Situated in a quiet garden square, two minutes walk from underground, with direct line to Heathrow and West End. Close to Olympia and Earlscourt exhibition centres.
All rooms with private facilities. Bar and restaurant with friendly atmosphere.
TEL: 01 373 7851 TLX: 895314 BKSTNG FAX: 01 370 6570

Kns PER NIGHT/SUITE Kensington, suites sleeping up to 4. Privacy & comfort, daily maid service, private phone, kitchenette. Tel: 01-244-8419. Fax: 01-373-6455. Tlx: 295461, 5 Knaresborough Pl., London SW5 0TG.

PEN PALS

AMERICAN WHITE MAN wishes to correspond with interesting people. Please write PO Box 6173, New York, NY 10163-6019 USA 212-733-6694

CAREER OPPORTUNITIES

AMNESTY INTERNATIONAL

Amnesty International (AI) is an independent worldwide voluntary movement which works for the release of prisoners of conscience, seeks fair trial for political prisoners and opposes torture and death penalty in all circumstances. We are seeking to fill the following key positions:

DEPUTY SECRETARY GENERAL
(DSG)

The Secretary General and two Deputy Secretary Generals provide the leadership for the 250 person staff of the International Secretariat (IS) in London, and maintain working relations between the IS and AI sections.

The DSG (Planning and Administration) has prime responsibility for developing AI's biennial strategic plan, monitoring income and expenditure of the international budget (currently £9 million), and for staff, budget and resource allocation. S/he has prime responsibility for the internal management and administration of the IS.

Candidates must have relevant management experience, have political judgment, be sensitive to the needs of an international multicultural membership organization, and be committed to human rights. Candidates must have experience of strategic planning and financial control, must have experience of staffing issues and must be able to work in a management team. The ability to represent AI and to travel is essential. Candidates must be able to communicate well in both speech and in writing. Good English is essential, other languages (particularly Spanish, French or Arabic) highly desirable.

SALARY: £24,953 per annum.

HEAD OF FINANCE AND ADMINISTRATION

AI need a Head of Finance and Administration to be responsible for the financial management personnel and training policies, and offices and premises management at the IS in London.

S/he is responsible for the financial management of a budget in excess of £9 million. S/he is responsible for the preparation of budget projections, and for ensuring liaison with AI sections on financial planning.

S/he is responsible for the management of 35 staff, through three unit managers. S/he is part of the senior management group and is responsible for developing policies under his/her control, and within the IS. S/he is the Company Secretary of the AI Limited Companies.

Candidates must have relevant experience and/or qualifications in financial planning and control. S/he must have experience of managing and supervising staff in a unit or small organization, and must have experience of dealing with personnel and training issues and an awareness of industrial relations. S/he should have experience of premises and office management and awareness of legal requirements. S/he must be sensitive to, and preferably have some experience of, the needs of a multicultural voluntary international organization. Excellent English; knowledge of other languages (particularly French or Spanish) is an asset. S/he must be able to communicate well both orally and in writing.

SALARY: £18,853 per annum.

CLOSING DATE FOR COMPLETED APPLICATION FORMS:
JUNE 16, 1989 (both posts)

*
* *

For more information and an application form contact:
Personnel office, Amnesty International
1 Easton Street, London WC1X 8DJ.
Tel.: (01) 837-3805.

amnesty international

هكذا من الأصل

In Singapore, Little Room for Dissent

By Steven Erlanger
New York Times Service

SINGAPORE — Prime Minister Lee Kuan Yew has been the elected head of government since self-rule was granted by the British in 1959. He has presided over a 12-fold increase in per-capita gross domestic product while creating an administration known for its capability and integrity.

But amid this economic success, built on the confidence of multinational corporations, there is concern among Western diplomats and professionals that in the name of an arguably exaggerated internal threat, the leadership's disregard for inherited Western tenets of legal process will prompt more of the professional middle class to emigrate and produce the instability the government fears most.

In the last year, a series of legal and constitutional amendments has undercut the already timid political opposition, intimidated some of the country's lawyers and weakened the principle of judicial review.

The amendments in nearly all cases foreclose redress to what had been Singapore's highest court of appeal, the Privy Council of Law Lords in London, some of whose decisions have proved embarrassing to the government.

Diplomats and some lawyers here regard the changes as sometimes clumsy efforts to discourage dissent.

That view stems from their context, which includes the arrest and rearrest without trial of a group of young professionals for alleged involvement in a Marxist conspiracy and the disqualification for tax fraud of an opposition member of Parliament.

Singaporean officials say it is impossible for an outsider to understand the fragility of a multiracial city-state of 2.6 million people, which has made its way by a kind of ruthless pragmatism that they say remains necessary in an unfriendly world.

"Being so small," an official said, "there is a real and persistent sense of insecurity, of fragility."

"There's no margin for us," he added, "no second chance."

Shunmugam Jayakumar, minister for home affairs and minister for law, compared Singapore with India, a developing country whose democracy is strained by persistent problems of language and religion.

Those problems have not threatened India's independence, Mr. Jayakumar said, but if Singapore had a few weeks of racial clashes, "it would be very difficult to repair the damage."

The country is about 75 percent Chinese, 6 percent Indian and 16 percent Malay. Singaporeans need look no farther than Malaysia for examples of racial violence.

Mr. Jayakumar, the minister

AP

Lee Kuan Yew

charged with the use of the Internal Security Act — a British legacy that allows detention without trial — says the government is most concerned about three threats: appeals to racial extremism, Communist subversion and the use of religion for political ends.

Singapore officials say the day-to-day running of the government is now in the hands of the next generation.

Mr. Lee, 65, retains as much influence as he chooses to exert.

His son, Lee Hsien Loong, a brigadier general and minister of trade and industry, is playing a more visible role.

A local businessman said the second generation, eager to discourage dissent among their contemporaries, "seems to need to prove they're as tough as the old man."

Of the 22 young professionals first detained in May and June 1987 in a crackdown on the alleged Marxist conspiracy, only two remain in custody: Vincent Cheng, accused of being the local mastermind, and Teo Soh Lung, 40, a lawyer who refuses to confess to any wrongdoing or drop her habeas corpus appeal.

All were active in varying church and community organizations or the opposition Workers' Party.

Mr. Jayakumar said that what upset the government were "methods typical of what we call Communist united front activities" — the infiltration of lawful societies to use them for political agitation outside their charters.

All but Mr. Cheng were released before the end of 1987.

But Miss Teo and eight others signed a statement in April 1988 repudiating any confessions of guilt and charging mistreatment in detention, including slaps, threats and exposure to cold.

The next day, all except Miss Teo's law partner, who was abroad, were rearrested, supposedly to investigate their charges.

After 10 days of incommunicado solitary detention, all repudiated the public statement, and the government inquiry into their treatment was scrapped as unnecessary.

In May 1988, a lawyer for Miss Teo, Francis T. Seow, a former solicitor general and head of the Law Society, was detained for an investigation "into foreign interference in Singapore's internal affairs," and a U.S. diplomat was expelled.

Mr. Seow was held for 72 days and then released conditionally while an investigation into his finances was begun.

In elections in September, Mr. Seow won a nonvoting seat in Parliament for the Workers' Party.

But Parliament's opening was delayed four months until January, and by that time Mr. Seow had been found guilty in absentia of five counts of tax evasion, sufficient to disqualify him.

Mr. Seow, who is in the United States and refuses to return to face a sixth tax charge, considers this timing deliberate, a suggestion rejected by officials.

In December, with a British lawyer, Anthony Lester, Miss Teo and three others who had appealed their detentions were released by a higher court under a technical finding, but were immediately rearrested under a new detention order.

By the end of March, the three others were released conditionally after they dropped their legal challenges to detention.

Only Miss Teo persists.

Israeli Skipper Shot by Egyptians

Compiled by Our Staff From Dispatches

JERUSALEM — The skipper of an Israeli fishing boat died Sunday after he was seriously wounded a day earlier when an Egyptian patrol boat opened fire on his vessel in the Gulf of Aqaba.

According to Israel radio, witnesses said that the Egyptian boat opened fire when the Israeli, Shlomo Yisraeli, ignored orders not to enter Egyptian waters east of Coral Island, which was returned to Egypt in 1982 under the Camp David peace treaty.

The witnesses said that the Egyptians gave Mr. Yisraeli medical assistance and that passengers on the fishing boat then took him to Israel. The Israeli Foreign Ministry has requested a report on the incident from the Egyptian Foreign Ministry, a spokesman said. *(NYT, AFP)*

France Tests Nuclear Bomb

The Associated Press

WELLINGTON — France exploded a 20-kiloton nuclear bomb Sunday at an underground test site in French Polynesia, New Zealand government scientists said.

International Secretarial Positions

BILINGUAL SECRETARIES
French – English
Immediate openings for both junior secretaries with 2-3 years of experience and executive secretaries with more than 3 years experience.
Please send your C.V. to reference 2474
O.P. 2, rue Marengo
75001 PARIS who will forward.
IBM EUROPE

INTERNATIONAL SECRETARIAL POSITIONS

An opportunity to be a little more than what every other secretarial advertisement wants you to be...

Having recently moved into attractive, new offices to accomodate our expanding company, Apple® Computer Europe has several openings for experienced Administrative Assistants.
Qualified candidates must be resourceful, energetic, and possess a high degree of professionalism and organizational skills. The positions require a minimum of 5 years' experience in an administrative or secretarial function. Qualifications include excellent telephone skills, fluency in English and previous use of word processing equipment with knowledge of several software packages. Macintosh® experience preferred.
These positions offer the opportunity to enter a fast-paced, international environment with the potential to learn new skills, work with our innovative products, and receive further training. The work demands a great deal of flexibility and excellent interpersonal skills for contributing to the positive work environment at Apple.
At Apple we believe that the success of our company is directly related to the efforts of each individual employee. Because the focus on people as individuals is so important, this is an opportunity to demonstrate your skills and grow in a job that allows you to continue to be yourself.

Be Yourself.

For consideration of your qualifications send your C.V. in English to K. Cooney.
Apple Computer Europe. Le Wilson 2, Cedex 60, 92058 Paris La Défense, France.
Apple, the Apple Logo, Macintosh and Mac are trademarks of Apple Computer Inc.

Apple

CURRICULUM

SECRETAIRE
BILINGUE ANGLAIS
Les Laboratoires SEARLE, filiale d'un groupe pharmaceutique mondial (800 M C.A. – 550 personnes) recherche plus qu'une secrétaire, une assistante bilingue anglais pour leur Conseiller Juridique International.
Votre profil : vous avez la trentaine, de langue maternelle anglo-saxonne ou parfaitement bilingue, vous travaillez quotidiennement en anglais.
Votre expérience professionnelle dans un service juridique ou bien en Cabinet d'Avocats international est un atout indispensable. Vous maîtrisez parfaitement le traitement de texte.
Vous êtes autonome, déterminée à réussir dans un poste où vous serez très responsabilisée. Votre présentation est excellente.
Merci d'adresser lettre manuscrite, CV et photo sous réf. ABA à CARA CONSEIL, 36, avenue Hoche 75008 PARIS, qui traitera confidentiellement votre dossier.
CARA CONSEIL
SEARLE

DESSEIN

Assistante de direction top niveau
GENEVE
Bilingue Anglais
Pour le Président de la filiale suisse d'un grand groupe industriel international.
Sa fonction comprendra des contacts au niveau international en anglais, ainsi que la gestion de déplacements et réunions de direction, le secrétariat classique n'occupant qu'une faible part de son temps.
Ses qualités personnelles (discrétion, jugement, disponibilité, esprit d'initiative, rigueur, vivacité...) et son expérience particulièrement réussie justifieront un niveau très élevé de rémunération.
Merci d'adresser CV, photo, lettre manuscrite et rémunération souhaitée sous référence 024 à
EKA 16 Avenue Matignon 75008 PARIS.

CAREER OPPORTUNITIES

Analyst Programmers for Software Development

We are looking for qualified personnel for our **Information Systems Development** departments in **Frankfurt.**

Applicants should have extensive experience in data processing and/or a degree in computer science, mathematics, economics or a science related discipline.

Complex software is to be developed in such areas as business administration, aircraft maintenance, inventory control, sales, traffic and flight operations using modern Systems Engineering methods and tools.
Equipment includes the latest **IBM/Amdahl** and **UNISYS** mainframes used for real-time, batch and network communications processing with networked and stand-alone **PCs** in support.

COBOL, FORTRAN, 4-GL and **database** experience would be an advantage. Knowledge of the German language would also be an asset.

The positions demand above average adaptability, self-motivation and enthusiasm to ensure the highest quality in the competitive environment of the airline industry.

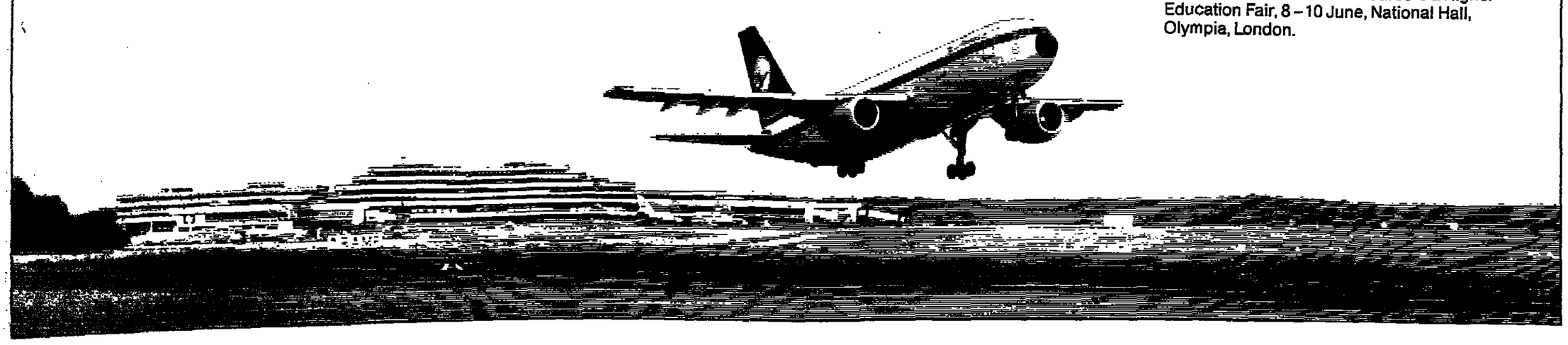
In addition to attractive salaries, benefits include a generous pension scheme, relocation expenses, six weeks holiday and flexible working hours.
Our employees and their families also enjoy travel opportunities at highly reduced rates.

Applications should include a full c.v., with copies of examination certificates, stating a possible starting date and salary expectations, and should be sent to:

Lufthansa German Airlines
Personnel Department FRA PK 8/E
Lufthansa Basis
6000 Frankfurt 75
West Germany

Lufthansa

Computer personnel with the relevant experience have the opportunity to speak to our experts at the Computer Recruitment Fair, 9 – 10 June, Novotel, Hammersmith, London.
Interested graduates should visit our stand No. G 271 at DIRECTIONS Careers & Higher Education Fair, 8 – 10 June, National Hall, Olympia, London.



Herald Tribune
INTERNATIONAL
Published With The New York Times and The Washington Post

If Bush Is Serious . . .

George Bush spoke in London of a future Europe that *might be united — not* Western Europe alone, but all of Europe. If events in the Soviet Union continue on their present course, he said, Western policy will no longer be *dominated by the need* to contain an aggressive adversary. Instead, he suggested, the American role will shift "to an emphasis on the economic side of things."

The nature of world politics is now changing more profoundly than at any time in the past 40 years, and Mr. Bush talked about it with great candor in an interview with The Washington Post toward the end of his European trip. The nature of American responsibility is also changing, in ways with which the country has hardly begun to reckon.

The prospect, if things go luckily, is a world in which American military power is less important to its allies than it has been since World War II. The American example of political democracy and economic success would continue to be a powerful influence for good. The United States would continue to carry an obligation to stabilize the international economy, to keep markets open and to support democracy abroad.

Those are *points* on which American leadership is vulnerable. If the country's role is to change in the direction that Mr. Bush foresees, that is another compelling reason to amend the careless, not to say reckless spirit that has prevailed in the management of the U.S. economy since early in this decade.

First in the list of charges is the enormous trade deficit, a continuing menace to the world's financial balance. Americans are consuming dangerously more than they produce and the government avoids restraint, on grounds that it would be unpopular.

Second is the familiar budget deficit, which in effect causes the trade deficit. In his London interview Mr. Bush touched on that subject: "You don't get on without lowering the deficit. It's very important that we do." But we don't. This year's budget deficit will be about the same as last year's, and there is no sign that next year's will be very different.

Next — chiefly a congressional offense — is the habit of blaming the resulting trade deficit on other countries and threatening them *with punishment. There are also the* cave-ins to special interests — notably, steel, textiles and automobiles — which, by restricting imports, have left the American market less open than it was a decade ago.

Finally is the neglect of Latin America. While the United States vigorously applauds the emergence of democracy in Eastern Europe, it is paying too little attention to the threats to new democracies in the Western Hemisphere as they struggle with their debts and their declining standards of living.

President Bush sees clearly the extraordinary transformation on which the world has embarked. Declining fears for military security and increasing focus on economic advantage will mean that the precedence of the United States is less certain and competition with its allies is sharper than ever. The country has ahead of it a long and difficult process of adapting to unfamiliar circumstances in the exercise of its vast power.

— THE WASHINGTON POST.

Arms to Cambodia?

The Bush administration seems determined to supply lethal aid to the non-Communist resistance in Cambodia. Prince Sihanouk, ostensibly the main recipient, says he does not need the aid. Congress shows no willingness to vote for it. Yet with a determination worthy of a better cause the administration has evidently decided to make the aid covert, to avoid congressional scrutiny. Thus the means are as objectionable as the ends.

The idea of arming Prince Sihanouk has a vocal proponent in the House, Stephen Solarz of Brooklyn. He argues that it would help thwart a comeback by the mass-murdering Khmer Rouge once Vietnam completes a promised withdrawal. And he believes that modest *levels of U.S. aid would strengthen* the prince's hand in dealing with Hun Sen and his Vietnam-backed Communist regime in Phnom Penh. But few Southeast Asia experts share Mr. Solarz's *optimism about* getting guns to the prince without seepage to the Khmer Rouge. Few believe that U.S. aid would make all that much difference.

In any case, Prince Sihanouk has pulled the rug from under an already wobbly argument by reversing himself on aid. In March he was said to favor arms aid. Then he met in Jakarta with Hun Sen for talks on establishing an interim regime that would be proof against a Khmer Rouge takeover. On May 13 he redefined his position at a press conference in Bangkok: "I confess we don't need U.S. lethal aid but we need U.S. humanitarian aid." His turnabout makes the administration's decision all the more curious.

The program is said to involve sending light arms to the prince's army and a smaller, allied force led by Son Sann. By taking the covert approach, the administration need only notify Senate and House intelligence panels, thereby avoiding votes, scrutiny and argument. But this also violates a promise of full consultation made to the Senate Foreign Relations Committee a month ago. If it makes sense to help Prince Sihanouk, the administration should welcome debate. And if the idea is as foolish as it seems, hiding it under a blanket will not make it less so.

— THE NEW YORK TIMES.

Homeless Soviet Jews

The embarrassment caused by the pileup of Soviet Jews in Rome and Vienna gets more acute. The Soviet government is allowing *thousands each month to emigrate,* thanks in good measure to the entreaties of Americans. Yet America finds itself without the refugee "slots" and funds to allow them all to immigrate. Congress and the administration have been slow to fix things up.

Previously, the few Soviet Jews (and Pentecostals and Armenians) who left had no trouble meeting the legal standard of being refugees, which allows foreigners prompt admission with processing and resettlement expenses paid. In the Gorbachev era, however, the numbers of emigrants have expanded. Hardship cases remain and liberal legislation is not yet on the books, but Moscow has eased procedures for Jews leaving and opened new religious and cultural opportunities to those staying. U.S. immigration authorities have responded by no longer granting Soviet Jews automatic refugee status as a class; each applicant must now demonstrate "a well founded fear of persecution." It is that tougher standard and a shortage of refugee slots and funds which produced the pileup in Europe. This is the more painful for the fact that the people caught in it had been the object of official as well as private American appeals and had every reason to believe *that America would promptly take them in.*

American generosity is only part of the potential relief available to Soviet Jews who make their way to Rome or Vienna. Such is the intense global competition for limited American refugee and immigrant slots that only a part of the flow of Soviet Jews — a flow that may reach into the hundreds of thousands in the 1990s — will likely find its way to the United States. For the other part, Israel, which provides the visas for nearly all Jews (and Pentecostals) who now leave the Soviet Union, is the natural destination.

Currently, to Israel's intense dismay, fewer than 10 percent of emigrants choose it. For people looking less for Zionist fulfillment than for a conventionally better life, Israel *simply cannot compete* with the United States. While the United States must be true to its historical commitment to immigration, Israel is under its own burden to make itself more attractive to Soviet Jews. This is one more reason why, for Israel, peace is the urgent priority.

— THE WASHINGTON POST.

Review Population Policy

Every year the population of the world increases by 90 million people. That is a little more than the entire population of Mexico. In reports issued by the United Nations Population Fund and the private Population Reference Bureau, demographers predict immense population increases in coming decades unless family planning efforts worldwide are strengthened and better funded. The problem is most acute in the developing world, where high fertility rates impede advances in economic growth and in health and educational opportunities. But no country is immune from the impact of population and its effects on world resources and the global environment. Cooperative efforts are demanded, and the wealthier countries have a special obligation. In the face of these facts, what is the Bush administration ready to do?

Before he became vice president in 1981, Mr. Bush was known as a supporter of international family planning programs. During the Reagan years he was silent, but now he is in a good position to do the right thing. No policy changes have yet emerged in this administration, but an opportunity will arise on Tuesday when the governing board of the UN Population Fund meets in New York to review a five-year plan for China. Since 1986 the United States has cut off all support for UN population programs on grounds that the fund helps China collect data even while China allegedly countenances forced abortions. The Chinese vehemently deny the charge. The United States used to supply about 20 percent of the budget of the fund, which is the largest international population organization, and American participation is crucial to sustain programs in 130 countries.

No American foreign aid money is used anywhere for abortion services, and this money would not be used for abortions in China. Officials in Beijing maintain that abortion abuses which occurred in the past were unlawful and that the government is determined that they not recur. U.S. officials should carefully review the Chinese presentation expected next month, and if it meets fair scrutiny Mr. Bush should send the signal that the issue of world population is critical, the work of the UN agency is vital and the support of the American government will be forthcoming.

— THE WASHINGTON POST.

INTERNATIONAL HERALD TRIBUNE
JOHN HAY WHITNEY, *Chairman 1958-1982*

KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER
Co-Chairmen

LEE W. HUEBNER, *Publisher*

JOHN VINOCUR, *Executive Editor* • WALTER WELLS, *News Editor* • SAMUEL ABT, KATHERINE KNORR and CHARLES MITCHELMORE, *Deputy Editors* • CARL GEWIRTZ, *Associate Editor* • ROBERT J. DONAHUE, *Editor of the Editorial Pages*

RENÉ BONDY, *Deputy Publisher* • ALAIN LECOUR and RICHARD H. MORGAN, *Associate Publishers* • FRANÇOIS DESMAISONS, *Circulation Director* • JUANITA CASPARI, *Advertising Sales Director* • KOURDT HOWELL, *Director, Information Systems*

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92200 Neuilly-sur-Seine, France. Tel.: (1) 46.37.93.00. Telex: Advertising, 613595; Circulation, 612832; Editorial, 612718; Production, 630698.

Editor for Asia: Michael Richardson, 5 Canterbury Rd., Singapore 0511. Tel. 472-7768. Tlx: RS56928
Mng. Dir. Asia, Rolf Kruegahl, 30 Gloucester Road, Hong Kong. Tel. 5-8610616. Telex: 61170
Managing Dir. U.K.: Robin MacKichan, 63 Long Acre, London WC2. Tel. 836-4802. Telex: 262009
Gen. Mgr. W. Germany: W. Lauterbach, Friedrichstr. 15, 6000 Frankfurt/M. Tel. (069) 726755. Tlx: 416721
Pres. U.S.: Michael Conroy, 850 Third Ave., New York, N.Y. 10022. Tel. (212) 752-3890. Telex: 427173
S.A. au capital de 1.200.000 F. RCS Nanterre B 732021126. Commission Paritaire No. 61337
© 1989, International Herald Tribune. All rights reserved. ISSN: 0294-8052.

OPINION

Beijing Unmasked: The Proud System Is Rotten

By William Pfaff

PARIS — The Western powers have constantly believed what they wanted to believe about China, attributing to it demonic *qualities when that suited and progressive ones* when that was convenient. The United States believed in Dragon China from the flight of Chiang Kai-shek to Taiwan in 1949 to the penultimate hour of the Vietnam War, in 1972, when Richard Nixon flew to Beijing.

Since 1972 the United States has chosen to believe that economic reform in China, which is real, is democratization of the country, which it is not. *Obfuscation has sometimes gone to shameful* limits, as when a dissident intellectual was brutally prevented from attending a reception given by President George Bush earlier this year. The event was brushed over by the U.S. government but was a portent of things to follow.

The British government has chosen to return Hong Kong to Chinese sovereignty in 1997 with wholly inadequate guarantees of civil liberties or self-government for the people of Hong Kong. Worse, it refuses to give British passports to the Chinese citizens of the crown colony. They are to be abandoned to China.

The argument the Western powers have made or assumed was that China has been in the course of a predictable political evolution toward lasting reconciliation with the democractic world and its values. It is an argument for which no proof has existed. Where is China's glasnost? Where is any "restructuring" of China's political system?

There has been the effort to reform the economy in a liberal direction, ambitious but tentative effort, uncertain in outcome. It is an attempt which has required increased contacts with the West, and the government, to the best of its ability, has attempted to confine those contacts within special economic zones — politico-economic ghettos closely resembling the segregated trading port system by which imperial China tried to confine European influence from the 17th to the 19th century.

That effort failed because that Chinese empire, like the present one, was already rotten with pride and incompetence. The British mission sent to the Manchu court in 1793 under Lord Macartney was escorted under banners proclaiming them to be "foreign tribute bearers," but Macartney declined to kowtow before the emperor. He reported to London that that empire was "an old, crazy, first-rate man-of-war, which a fortunate succession of able and vigilant officers have contrived to keep afloat . . . to overawe their neighbors merely by her bulk and appearance . . . She may perhaps not sink outright; she may drift some time as a wreck, and will then be dashed to pieces on the shore; but she can never be rebuilt on the old bottom."

That is the truth about the People's Republic today. The turmoil of China under Mao Zedong — of backyard blast furnaces, Cultural Revolution, global revolution proclaimed for the "rural" masses led by China — was evidence not only of political hysteria but of failure: the failure finally confirmed in the massacre of this weekend.

What is so strange is that the outside world could have so easily believed in a theory of *Chinese stability and democratic evolution.* Plenty of people tried to say otherwise. The former Belgian diplomat who writes under the name "Simon Leys" said in 1978 that a "strange lobby" had formed in the West to say of human rights in China that "we simply do not know" if a problem exists "and even if such a problem should exist, it is none of our concern." He insisted that the government was totalitarian in *the specific meaning of that term,* making "total" political and intellectual claims, denying objective truth, rewriting history, etc.

The events of the last six weeks, culminating in the bloody counterrevolution of this weekend, demonstrate the government's essential quality, and also its weakness. It has — provisionally — reimposed itself in Beijing; by the way it did so it demonstrated that China remains in the turbulent dynastic interregnum that began with the Manchu collapse in 1911.

Communism has been in power hardly longer than the Nationalist movement which consolidated China in the years after 1911 under Sun Yat-sen and Chiang Kai-shek. The threat of national fragmentation — "warlordism" was the form it took in the past, but other forms are imaginable — still exists. Democracy as the West knows democracy remains distant. China, poor China, awaits its revolution.

International Herald Tribune.
© Los Angeles Times Syndicate.

Now an Innovative Plan to Keep NATO Together

By Flora Lewis

PARIS — Overlooked in the to-do around President George Bush's last-minute feat of rescuing NATO from diplomatic donnybrook is a new plan to keep the alliance together well into the next century. Two major documents were approved in Brussels.

One was a "comprehensive concept" of military planning and arms control. The second, called merely a "declaration," sought to broaden NATO's concerns and give it a reason to exist after the Cold War.

"Our security is to be seen in a context broader than the protection from war alone," was the commitment of the 16 government heads.

Without explicitly saying so, they addressed the question of whether there will be any point in a formally binding Atlantic relation if the fear that provoked it should melt away.

The answer is firmly yes. If there ever is to be a "common European house," as Mikhail Gorbachev urges, the allies have undertaken to maintain themselves as one family among its residents.

They dedicate themselves to "overcoming the division of Europe," but with an "enhanced partnership" of special ties, the opposite of dissolving blocs and reverting to the past.

Mr. Bush defied geography when he said that the United States "is and will remain a European power." But he was making the long-term political point. Some commentators stress likely public pressure to denuclearize Europe and end direct U.S. involvement as perceptions of threat from the East recede. The governments have affirmed their determination to work together for the contrary.

Officials at NATO have been preparing the declaration for nearly a year. It has a lot of the general pieties that haggling diplomats tend to produce. But they are pleased with the results because they do lay a foundation for envisaging "another 40 years," as one leader rhapsodized.

For the near term, a balance is struck between keeping up the West's guard and reducing East-West tensions. There is no comfort for those who want to abolish nuclear weapons, although much smaller arsenals are considered desirable. Ronald Reagan's Reykjavik dream has sunk without a trace. The document reaffirms nuclear deterrence, saying that "for the foreseeable future there is no alternative to the alliance strategy."

The military *statement* even revamps old arguments for short-range missiles. They are not needed just to counter far larger Soviet missile deployments, nor East bloc conventional superiority, it says. If equality is reached in both categories, the new line holds that land-based nuclear arms (meaning on German territory) will still be required for keeping the U.S. commitment credible. This will be the main argument if conventional parity is achieved.

But the importance of the declaration is the attempt to shift the focus away from NATO's dominant military concerns and assure that political disengagement does not follow arms cuts. There is agreement to "strengthen our process of political consultation and, where appropriate, coordination," to work for more "commercial, monetary and technological cooperation," even a backhand reference to mollifying U.S. fears of a "fortress Europe" in economic and trade policies.

A long list of subjects on which the allies pledge to engage the East together, or at any rate coherently, also seeks to head off the notion that they will not need existing links if peace really breaks out. "Our joint agenda" includes East-West cooperation on environment, terrorism, drugs, offering "Western experience and know-how" to East-bloc states struggling with sickly economies, expanding contacts on all levels, setting up a "fellowship-scholarship program" for Europeans from East and West and North Americans "to promote study of our democratic institutions."

There is, in effect, an agreement on what the end of the Cold War should mean. It requires full human rights and "the right of all the people in each country to determine freely and periodically the nature of the government they wish to have."

This ambitious program in no way assures that NATO's chronic bouts of "disarray" won't continue. Long before members get to specifics, they are bound to have some rough arguments on sharing conventional arms cuts.

But NATO has begun to look ahead to a different kind of world, and to reject the status quo ante of past prewar periods. That is a worthwhile role.

The New York Times.

Bush Is Going With the Popular Flow

By Stephen S. Rosenfeld

WASHINGTON — President George Bush went to a NATO summit last week, shed his careful prudent self, took on some of the bold unplanned ways of Ronald Reagan, hit big and loved it.

The old Bush, you will recall, was *darkly suspicious of Mikhail* Gorbachev's purposes, staying power and general fitness as a partner in diplomacy. He had invented an elaborate policy review to put distance between himself and the felt extravagances of the Reagan style. Mr. Gorbachev was to be subjected to a series of almost clinical "tests," while the testing country, the United States, calmly stood its ground.

It seems that the review gave Mr. Bush precisely the policy he had asked for, but it was playing poorly in European and American public opinion, undermining the American bargaining position and, not so incidentally, leaving him in Mr. Gorbachev's dust. So two weeks ago he reviewed the review. The result is no less welcome for the manner of personal impatience, rather than strategic calculation, in which it was achieved.

By *his deeds in* Brussels the president swept aside his administration's previous reservations about Mr. Gorbachev and made a commitment to an extended intimate political partnership with him. On no other basis than that Mr. Gorbachev is for real does it make sense for Mr. Bush to share with him the work of healing Europe, whose Soviet-induced division was always the essence of the Cold War.

For Western Europe, the new prospect banishes the twin specter of war and Soviet intimidation. For Eastern Europe, it offers a return to roots and a progressive escape from the discipline that Moscow imposed for four decades in the name of Western aggressiveness and Marxist orthodoxy.

Many hard questions must still be asked about the future political shape of Europe, if the gains brought within view at Brussels are to be made real.

But such a search will unfold in a strikingly altered context. Mr. Bush has seemed wary less of the Kremlin than of Western opinion. He warned of "complacency," keeping the guard up, not going too fast. His scarcely concealed anxiety was that in a period of apparently ebbing Soviet threat the West's real vulnerability lay within.

Now, however, he is going with a powerful popular flow. Not only were West Germany and other allies demanding nuclear relief. All NATO members, including the United States, demand military spending relief. The talks on conventional cuts that Mr. Bush speeded and broadened become the instant way to keep up with these domestic pressures. They are also the long-awaited way to start drawing down American troops in a manner that does not unsteady the Continent's nerves.

In a precedent dripping with high strategic implications, moreover, Mr. Bush declared that the arms and troops he would cut in Europe would be destroyed and demobilized. Thus does he silently abandon a great and fond conservative hope to redeploy any American forces brought home from NATO duty, to keep them available for other global missions. This redeployment option has been a familiar response to liberal charges of American "imperial overstretch."

There is still a strong Western conservative tendency to regard the current "race" to "demilitarize" Europe as a contribution to NATO's disintegration and the allies' "Finlandization." The undeniable loosening of *American discipline in* Western Europe, however, seems slight next to the loosening of Soviet discipline in Eastern Europe. The withdrawal of a first slice of 30,000 American troops will not change Western Europe's basic political orientation. A matching withdrawal of 325,000 Soviet troops from Eastern Europe could not fail to affect that region's political orientation. Carefully handled, it is to the advantage of the West.

Moscow rumbles, moreover, under its own immense pressures to save on defense. It is not simply that Mr. Gorbachev says military spending is to fall 14 percent in the next few years. He has unleashed consumer demands, and he is institutionalizing a process of openness and democratization that can only strengthen them. In other Soviet-bloc countries it is more or less the same.

Long in the works, the process can scarcely advance as quickly as Mr. Bush laid out. But it is now possible to hope that the principal checks to the transformation of Europe are being removed. This is the measure of Mr. Bush's review of his review.

The Washington Post.

The Change Is Too Quick for Comfort

THE transformation of George Bush's image last week was reminiscent of the 1988 presidential campaign. For months he had lagged, derided as a wimp, but all that vanished with his acceptance speech at the Republican convention. Suddenly, and using techniques similar to last week's, he seemed a leader, even if his subsequent campaign lacked taste or substance. The metamorphosis, then and now, was too easy — perilously easy, if such praise and popularity can be gained without sustained accomplishment. The danger is that Mr. Bush will come to define success solely as a well received speech.

— Leslie H. Gelb, commenting in The New York Times.

Intifada: It's Time For Talks

By Anthony Lewis

CAMBRIDGE, Massachusetts — The intifada has lasted 18 months, far longer than anyone thought possible. The Palestinians of the West Bank and Gaza have decisively asserted their national identity and their will to be free of the occupation.

Now the time has come for Palestinians to do something even more difficult: take up the Israeli government's proposal for elections in the West Bank and Gaza, and be prepared, for that purpose, to suspend the uprising.

Such a course asks a very great deal of the Palestinian leadership. It entails great risks. But I believe it has to be undertaken, or the present chance for negotiation will be missed. There is a diplomatic chance, the best in memory. But on the ground in Israel and the occupied territories the tide of violence and hatred imminently threatens to destroy that chance. A dramatic move is needed to save it.

The contrast between the hopes of diplomacy and the bitter reality on the ground was brought home to me last week at a conference of Israelis and Palestinians.

It was an off-the-record meeting arranged by Professor Herbert Kelman of Harvard. The participants included important figures in the PLO and moderate-dovish Israeli politicians and academics. A year ago such a conference would have been a surprising event; now all involved took it as a matter of course that Israelis and Palestinians should talk. The atmosphere was friendly, almost intimate.

Observing that meeting, one had to conclude that there are ways to reconcile *the essential objectives of the* two nations: security for Israel, political identity for the Palestinians. Negotiation would be worthwhile, if only it could get started.

But what was the news on the ground? It was not of negotiation but of intensifying confrontation.

A band of Israeli settlers in the West Bank rampaged through a Palestinian village, killing a 14-year-old girl, spraying machine-gun fire at houses and livestock. Six settlers were arrested by Israeli police, and army commanders said the settlers had become a major security problem.

Palestinians killed other Palestinians as suspected collaborators with Israel. No hearing, no chance for denial: just vigilante execution.

Every day Israel's continuing effort to suppress the uprising by military force took *more casualties.* The number of Palestinians killed in the intifada passed 500. Israeli soldiers shot an 8-month-old baby in the head.

"We are approaching Algerianization of the conflict," General Ephraim Sneh said to me during a break at the Harvard conference. "I mean the brutalization, the violence by Palestinians against Palestinians, the activities of the settlers . . . "

General Sneh was the military governor of the West Bank from 1985 to 1987. Retired now, he is active in the Labor Party. He speaks carefully, stolidly, but in his words there is an urgency close to desperation.

"It is worse day by day, not week by week," he said. "Every day is another brick in the wall of hatred. We have to hurry up. We don't have time."

That is why I think a dramatic *gesture is needed to move toward the* path of negotiation.

Palestinians would ask: Why from us? We are the weaker party. The election proposal may be just a way for Yitzhak Shamir to gain time. If we accept, and suspend our uprising, it will look as though we are giving way to superior power — and we may lose *the momentum of these 18 months.*

The answer is that the Palestinians can open the way to negotiations. And that is worth the candle.

As many in the PLO leadership well understand, they have to persuade Israelis that they are serious about peace. Nothing could make the point more effectively than for *the PLO to say yes to elections* — and say they will give politics a space by suspending the intifada when the terms are agreed.

The scenario is difficult.

It would require strong U.S. support: to provide a context, an understanding that elections are not an end in themselves but part of a political process. Secretary of State James Baker has started to provide that context. He needs now to intensify the dialogue with the PLO.

But the scenario is possible, and what a difference it would make.

Imagine just a beginning of the process: Israeli officials sitting down with Palestinians from the West Bank and Gaza to talk about how to conduct elections. It would be a transforming event.

The New York Times.

100, 75 AND 50 YEARS AGO

1889: Hungarian Duel

BUDAPEST — The opposition has taken advantage of the debate on the budget to renew its attacks upon the President of the council, Mr. Tisza, and his policy. Mr. Iranyi opened the ball today [June 4] by accusing Mr. Tisza of having shamelessly broken his promises, and of not having secured the independence of Hungary from an economic point of view. As the debate waxed warm, several members of the opposition became very violent, and one of them, Count Gabriel Karolyi, shouted "Tisza is a traitor!" The Minister's reply was characteristic. His accusers, he said, were carried away by political passion, and were not in a position to examine his political action fairly.

1914: A Patriotic Theft

FLORENCE — The trial of Perrugia for the theft of "La Gioconda" from the Louvre began here today [June 4]. The accused, when questioned by the judge, related how he had stolen the picture and kept it in Paris. The prisoner asserted that he had intended to present "La Gioconda" to the Uffizi Gallery. Mr. Poggi, director of the Gallery, gave evidence and told how he had identified the painting. Perrugia declared that he had asked nothing for the painting but had offered it for patriotic motives.

1939: A Refugee Plan

WASHINGTON — Officials of refugee relief organizations today [June 4] considered moves to settle tens of thousands of Jewish refugees from Europe to the Philippines. No restrictions are placed on the type of refugees admitted to the Philippines and 1,000 Jews have already been permitted to go to Mindanao, southernmost of the islands. American officials were understood to favor the settlement as a move to offset the inroads of the Japanese. A special committee was recently sent to the islands to negotiate with the government.

FOR SENDING MESSAGES

International Herald Tribune
BUSINESS/FINANCE
MONDAY, JUNE 5, 1989

AND RECEIVING THEM
In Touch with Tomorrow
TOSHIBA

EUROBONDS

Fashionable Dollar Boosts Trading in Major Markets

By CARL GEWIRTZ
International Herald Tribune

PARIS — The U.S. dollar was back in fashion in the Eurobond market last week, with $1.25 billion worth of straight debt offered, the highest amount in five weeks. Investors rushed to lock in high yields while they last and to position themselves to capture the capital gains that would result from falling interest rates.

In fact, many of the major bond markets rallied last week, with the Deutsche mark and French franc markets not far behind the powerful New York rally. The markets gained as the perception spread that the recent cycle of higher interest rates has ended for the dollar and is close to ending elsewhere.

The latest economic news, showing U.S. employment expanding more slowly in May than analysts had predicted, was a boon for the bond market, as the data was taken as further confirmation that U.S. rates are now likely to decline.

The question is will investors rush to buy dollars at lower rates?

But the prospect of lower interest rates did no good for the dollar, which ended well below the levels of a week earlier, at 1.9445 DM and 140.50 yen in New York. The decline of the dollar relieved fears of further rate increases in Europe.

The question at week's end was where the dollar goes from here and whether foreign investors would be put off by the easing exchange rate or attracted by the strong rally in the U.S. bond market.

Foreign exchange dealers said they expected the currency to remain above the 1.90 DM and 135 yen levels — believed to be the upper limits established by the central banks of the Group of Seven industrial nations — and to trade in a range of 1.90 DM to 1.99 DM and 135 yen to 145 yen this week.

The big uncertainty is whether foreign investors are simply waiting to see how low the dollar goes in the hopes of getting bargain rates, or whether the big move into the dollar has run out of steam.

If they are waiting for bargains, a rush of buying could propel the dollar back up. But if the adjustment to increase the dollar content of international portfolios has largely been completed, the dollar could sag.

"There's still plenty of demand for the dollar — waiting to pick it up at lower levels," said Richard Koo, an analyst at Nomura Research in Tokyo.

IN LONDON, Jonathan Wilmot, an analyst for Credit Suisse First Boston, added, "The dollar's dip was quite predictable. You could feel it losing momentum on the upside," he said, as it breached the barrier of 2 DM.

Mr. Wilmot said that if the G-7 central banks "get their act together, the dollar could pull back to 1.91 DM, maybe lower." But he added, "There would be lots of fundamental buyers at that level." The Group of Seven comprises Britain, Canada, France, Italy, Japan, the United States and West Germany.

Even if investors who missed the dollar's surge last month are waiting for an opportunity to buy the currency, analysts noted that a dollar in retreat is considerably more vulnerable to central bank intervention than a dollar that is advancing strongly.

They worry that the Bundesbank and the U.S. Federal Reserve Board may be more willing to adjust interest rates to push the dollar lower now that it is slipping than they were as it was rising, when they risked being seen panicked as into action.

These analysts said that a quarter to half-point reduction in overnight dollar interest rates would not have much of an impact in stimulating U.S. domestic demand and would seem fully justified by the declines in prices of oil and other commodities.

At the same time, a half-point increase in Bundesbank's Lombard rate would only validate the recent rise in German money-market rates.

"The time for the Bundesbank to act is when the dollar is running out of steam," Mr. Wilmot said. "If the G-7 policy coordination is in place, it would be psychologically appropriate" to adjust the interest rates now that the exchange market is not looking for it.

That could keep the dollar in a trading range well below the recent fevered levels of 2 DM and 145 yen, but possibly also set the stage for a new breach of those levels.

Simon Crane, a London-based analyst, said that rate actions by the Fed and the Bundesbank could temporarily do "serious damage" to the U.S. currency, possibly knocking it down by 8 pfennig and 5 yen. He said the dollar would then move sideways for a while before starting back up again.

A partial retracement of the dollar's sharp 13 percent gain since the start of the year "is not unreasonable" before it resumes its uptrend, Mr. Crane said.

From a technical point of view, corrections allow the currency

See EUROBONDS, Page 11

Saudi-Kuwaiti Dispute Snarls OPEC

By Youssef Ibrahim
New York Times Service

VIENNA — A meeting of the Organization of Petroleum Exporting Countries here reached an impasse Sunday as Saudi Arabia's determination to preserve its nearly 25 percent share of OPEC production clashed with Kuwait's insistence on a larger quota for itself.

Kuwait has asked that its current production quota of 1 million barrels a day be increased by about 300,000 barrels.

The Kuwaitis have been joined by the United Arab Emirates which is asking for a similar increase in its nearly identical quota, and by Gabon and Ecuador, which are much smaller OPEC producers.

Officials of the 13 OPEC member states said the underlying issue was raising the group's 18.5 million-barrel-a-day production ceiling to around 20 million barrels a day for the second half of the year.

That corresponded to expected demand for OPEC oil predicted in a report by cartel analysts.

Saudi Arabia and a number of other OPEC countries feel that granting special increases upsets a carefully balanced distribution of quotas.

In addition, the Saudis have repeatedly said their priority in OPEC is to get the cartel's members to respect their production quotas and observe stern discipline.

The Saudis said oil prices would rise if that happened, making it unnecessary to discuss higher production quotas and to reopen what are generally considered as very difficult talks over shares of the market for each producer.

Kuwait has argued that its quota is a straitjacket. It said that over the past few years it has acquired production, refining and distribution networks worldwide that make it necessary to expand its output of oil or risk loosing clients.

OPEC officials said that some room for compromise may be found in Saudi Arabia's willingness to let go of its recent insistence on abolishing all reference prices for oil.

In return the Kuwaitis may be convinced to accept a lower increase that is proportionally distributed among all 13 OPEC members.

Both Saudi and Kuwaiti officials insisted, however, that they would not compromise on their basic demands, according to some OPEC officials.

Many have remarked that things have gone too well for OPEC over the past six months, with prices rising substantially, and such success would not be allowed to be scuttled by this dispute.

OPEC officials said they will continue their deliberations here over the next two days.

The Iranian oil minister, Gholamreza Agazadeh, said he would not return home for the funeral of Ayatollah Rnhollah Khomeini.

Latin Debt Plan Would Limit Interest to 5%

Reuters

CARACAS — The 26-nation Latin American Economic System announced a plan over the weekend to replace half of the region's foreign debt with long-term, low-interest bonds, and putting a 5 percent limit on interest.

The group's permanent secretary, Carlos Perez del Castillo, told a news conference Saturday that the proposal would cut by 75 percent the net transfer of funds from the region for debt service.

In addition, the group has asked international lending agencies to disburse more funds to Latin America.

Mr. Perez del Castillo said the goal is to reduce the net transfer of resources from Latin America, as well as the instability associated with external indebtedness, freeing funds for development.

By the end of 1989, he said, Latin America will have paid out more than $200 billion in debt service since the debt crisis began in 1982. Over the same period, the region's debt grew by $100 billion.

"In the present circumstances, all the actors involved have finally begun to recognize and accept that the debt is unpayable," he said. The group's plan will be discussed at a June 19-20 meeting of deputy finance ministers in Caracas.

The group proposes replacing 50 percent of commercial-bank debt with 20-, 30- and 40-year bonds, which would be backed by guarantee funds set up by the debtor countries. Funds would have initial annual deposits of no more than 1 percent of the value of the bonds, which would have a fixed interest rate of 5 percent a year. The 5 percent rate would also apply to the remaining 50 percent of the debt, reducing overall interest payments by 75 percent.

While the proposal goes beyond the 20 percent debt reduction envisioned in the plan proposed by the U.S. Treasury secretary, Nicholas F. Brady, Mr. Perez del Castillo said the group's initiative was by no means radical. He stressed that the proposal was meant to serve as a framework for future bilateral negotiations

"If we don't resolve the problem with a solution of this kind, we are going to have to opt, at least a majority of the nations, for much more radical solutions to the debt problem," he said. "I'm referring to suspension of payments."

He pointed out that 14 of 26 member nations were already in arrears on interest payments.

"We are not talking about creating a debtors' club, but rather an alternative for joint negotiation," he said.

Meanwhile, Argentina reportedly has been declared value impaired by U.S. banking regulators. This obliges U.S. banks to set aside specific reserves against Argentine portfolios, a foreign banker in Buenos Aires said Saturday. The source, who asked not to be identified, said he had received the news late Friday from the bank's U.S. headquarters.

In Washington, officials declined to confirm the information. A Federal Reserve Board spokesman said the central bank never comments on such matters.

Commercial banks in the United States could not be reached for comment, but U.S. bankers had been expecting the move because Argentina has not made any interest payments on its $60 billion foreign debt since April 1988. It owes creditor banks $3 billion in unpaid interest.

The Argentine president-elect, Carlos Saúl Menem, was quoted Sunday by the Bonn daily, Die Welt, as saying he planned to develop a mixed economy that would be guided rather than ruled by the government.

In the interview, Mr. Menem ruled out a debt moratorium, saying he sought a solution to the country's debt problem through negotiations.

"We want new repayment dates," he said, "but our creditors must understand that we need credits to grow. We need new wealth. Without growth we cannot keep up our repayments."

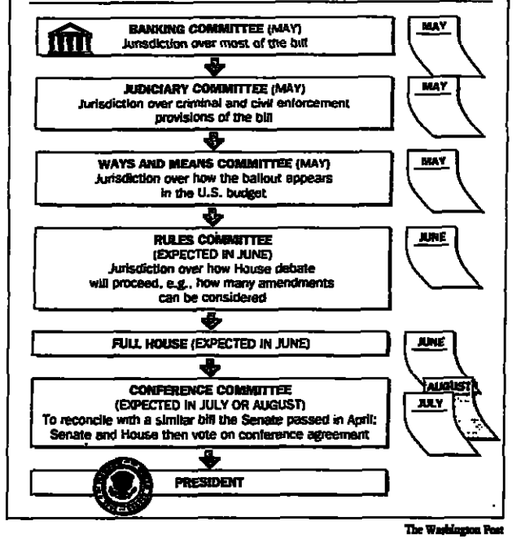
■ EC Rebuffs Aid Bid

Despite complaints from the Third World, the European Community will not radically change its most important trade and aid treaty, Reuters quoted the EC development commissioner, Manuel Marin, as saying Saturday in Brussels at the formal opening of talks on a successor to the treaty.

But Mr. Marin said that although he considered the current convention to be working adequately, the EC should remain flexible to appeals from the African,Caribbean and Pacific group of nations covered in the Lomé Convention.

The current convention is worth 8.5 billion European currency units ($9.5 billion).

THE S&L BAILOUT'S PATH



The Washington Post

Thrift Issue Burning As Congress Fiddles

By Nathaniel Nash
New York Times Service

WASHINGTON — President George Bush's plan to bail out the U.S. savings and loan industry can now be described in military terms: "Hurry up and wait."

Under the sense of urgency urged by Mr. Bush — asking passage within 45 days — the full Senate and the House Banking Committee

See THRIFTS, Page 11

U.S. Economy Shifts to Decline, Purchasers Say

Compiled by Our Staff From Dispatches

NEW YORK — The U.S. economy declined in May for the first time in 33 months, a nationwide survey of purchasing executives reported Sunday.

The report by the National Association of Purchasing Management showed a sharp decline in the group's index, to 49.7 percent in May from 53 percent in April. A reading above 50 percent on the poll is supposed to show an expanding economy. It was the first time the index has gone below 50 since July 1986.

"The total economy resumed its ratcheting path toward slower growth during May as the manufacturing economy reported the first decline in growth in almost three years," said Robert Bretz, chairman of the group's survey committee.

Expanding exports and increased capital expenditures continue to provide the real growth, Mr. Bretz said. He added that virtually all indicators confirmed a slowing of the economy and, perhaps most importantly, a sharp slowing of inflation along with it.

Production and new orders continued to grow in May, but at a significantly slower pace than in April. New export orders, a source of strength in April, also softened.

The association's composite price index fell sharply in May, to 57.6 percent, its lowest since December 1986. It was 66.5 percent in April.

The production index fell to 51.1 percent from 55.5 percent in April. New orders also slowed to 53.4 percent on the index from 55.3 percent.

Among the members who export, 25 percent reported better export orders, down from 28 percent in April. Five percent reported a drop in exports, up from 4 percent in April.

The vendor-deliveries index dropped sharply, to 49.3 percent from 53.2 percent. Vendor deliveries were faster in May, breaking a string of 31 consecutive months in which they were reported slower. Faster deliveries generally indicate a moderating economy.

Inventories also declined, the association reported, with the index falling to 41.9 percent from 47.4 percent in April. The May level was the lowest this index has been in almost four years.

Employment decreased for the fourth consecutive month, as the jobs index fell to 46.4 percent, significantly below the 49.2 percent in April. The report said the drop in employment reflects growing caution on the part of manufacturers.

Among those commodities with falling prices were aluminum, zinc, chemicals used in manufacturing and memory devices for computers.

"Purchasers appear to be more confident about material shortages dissipating as they face the summer slowdown in activity," the monthly report said. *(Reuters, UPI)*

Trade Meetings Raise Concern Of EC, Japan

Compiled by Our Staff From Dispatches

THE HAGUE — Leading trade officials from the European Community and Japan expressed deep concern Sunday at Section 301 of the 1988 U.S. Trade Act following informal meetings here with the United States and Canada.

The so-called "Super 301," a beefed-up section of the act, empowers the United States to impose sanctions on trading partners if it fails to persuade them to open their markets.

The EC commissioner for external relations and trade, Frans Andriessen, said the community was worried about the damage to international trade from Section 301, but otherwise he saw the meetings as a fruitful exchange.

Japan's deputy minister for international trade and industry, Shigeo Muraoka, said following the meetings that his nation was considering a formal complaint against the United States under the General Agreement on Tariffs and Trade. *(Reuters, AP)*

Currency Rates

Cross Rates — *June 2*

	$	£	D.M.	F.F.	Lit.	Gldr.	B.F.	S.F.	Yen
Amsterdam	2.2285	3.517	1.1367	0.3321	0.1554 *	——	5.379 *	1.367	1.564 *
Brussels(c)	41.3625	65.3675	20.944	6.174	2.8872 *	18.587	——	24.2975	0.2908
Frankfurt	1.9784	3.122	——	0.2948	0.1379 *	0.8876	4.774 *	1.1605	1.388 *
London (b)	1.572	——	3.1155	19.574	2.257.50	3.5103	63.205	2.4828	225.445
Milan	1,438.80	2,262.60	725.45	213.73	——	643.62	34.673	841.73	10.86
New York(c)	——	1.6045 b	1.9445	6.5985	1,410.50	2.7905	48.625	1.671	140.50
Paris	6.667	10.584	3.3923	——	0.468 *	3.012	0.162	3.9365	4.784 *
Tokyo	142.10	224.38	71.89	21.21	0.993	63.79	3.4365	83.93	——
Zurich	1.697	2.684	0.8613	0.2545	0.1189 *	0.7653	4.119 *	——	1.1944 *
1 ECU	1.0545	0.6665	2.0758	7.8446	1,506.88	2.3388	43.4769	1.7874	149.759
1 SDR	1.2489	0.7885	2.4608	8.3514	N.A.	2.7702	51.5227	2.1206	177.344

*Closings in London, Tokyo and Zurich, fixings in other centers. New York closing rates. a: Commercial franc; b: To buy one pound; c: To buy one dollar; *: Units of 100; N.Q.: not quoted; N.A.: not available.*

Other Dollar Values

Currency	Per $	Currency	Per $	Currency	Per $	Currency	Per $
Argen. austral	148.00	Fin. markka	4.391	Mex. peso*	2467.00	S. Afr. rand	2.749
Austral. $	1.3275	Greek drac.	168.65	N. Zealand $	1.71	Soviet ruble*	0.6535
Aster. schil.	13.84	Hong Kong $	7.772	Nig. naira*	5.2975	Spain, peseta	124.80
Brazil cruz.	1.164	Indian rupee	16.22	Norw. krone	7.13	Swed. krona	6.44
Canadian $	1.2058	Indo. rupiah	1762.00	Phil. peso	20.69	Taiwan $	25.70
Chilean peso*	3.7221	Irish £	0.7416	Port. escudo	163.20	Thai baht*	25.78
Danish krone	7.669	Israeli shek.	1.90	Saudi riyal*	3.748	Turkish lira	2073.08
Egypt. pound	2.5732	Kuwaiti dinar*	0.2947	Sing. $	1.952	UAE dirham*	3.6701
		Malay. ring.*	2.727	S. Kor. won	664.20	Venez. boliv.	38.45

*New York rates unless marked * (local rate.)*

Forward Rates

Currency	30-day	60-day	90-day	Currency	30-day	60-day	90-day
Pound Sterling	1.5782	1.5715	1.5658	Canadian dollar	1.2085	1.2116	1.2139
Japanese yen	141.44	140.87	140.40	Swiss franc	1.6923	1.6896	1.6873
Deutsche mark	1.9644	1.9600	1.9566				

Sources: Indosuez Bank (Brussels); Banco Commerciale Italiano (Milan); Banque Nationale de Paris (Paris); Bank of Tokyo (Tokyo); IMF (SDR); BAII (dinar, rival, dirham); Gosbank (ruble). Other data from Reuters and AP.

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes

United States	June 2	May 26	Ch'ge
DJ Indus.	2,517.83	2,493.77	+0.96 %
DJ Util.	203.47	201.16	+1.15 %
DJ Trans.	1,158.31	1,165.59	—0.62 %
S & P 100	303.28	300.04	+1.08 %
S & P 500	325.52	321.59	+1.22 %
S & P Ind	372.99	369.19	+1.03 %
NYSE Cp	181.49	179.31	+1.22 %
Britain			
FTSE 100	2,102.60	2,140.30	—1.79 %
FT 30	1,745.50	1,778.80	—1.91 %
Japan			
Nikkei 225	33,667.42	34,191.62	—1.55 %
West Germany			
Commerzbk	1,760.80	1,708.40	+3.07 %
Hong Kong			
Hang Seng	2,675.28	2,765.67	—3.27 %
World			
MSCIP	501.40	500.90	+0.10 %

World Index From Morgan Stanley Capital Intl.

Money Rates

United States	June 2	May 26
Discount rate	7.00	7.00
Federal funds rate	9 9/16	9 11/16
Prime rate	11½	11½
Japan		
Discount	2½	2½
Call money	4 23/32	4 7/32
3-month interbank	5 5/32	5 3/16
West Germany		
Lombard	6½	6½
Call money	6½	6.35
3-month interbank	7.10	7.15
Britain		
Bank base rate	14.00	14.00
Call money	13½	13¼
3-month interbank	14 1/16	13⅝
Gold	June 2	May 26 Ch'ge
London a.m. fix.s	361.50	365.80 —1.19 %

New Haven to Europe: Y&R Makes its Mark

By Randall Rothenberg
New York Times Service

NEW YORK — Some day it may be said that advertising's battle for Europe was won on the playing fields of New Haven.

It was there, in 1956, that Joseph E. DeDeo, a Princeton sophomore, met Alexander Kroll, a sophomore at Yale, in a contest for the Ivy League football championship.

Mr. Kroll, a sizable center, spent much of the afternoon trampling over Mr. DeDeo, a linebacker. It was the last time the two men worked at cross-purposes.

Mr. Kroll is now chairman of Young & Rubicam, and Mr. DeDeo is president of Y&R Europe. With a cluster of other men who left college and entered advertising in the latter part of the gray flannel suit era, they have built Y&R into one of Europe's most powerful advertising firms.

The issue of which ad agency is biggest in Europe is no small matter. European advertising has been growing at a compound annual rate of 11.5 percent since 1980, and is expected to outpace all other markets in 1989, according to a study by James Capel & Co.

And the largest agencies are expected to draw hungry advertisers seeking to exploit the planned single market in the European Community after 1992.

Although Saatchi & Saatchi Co.'s two international networks outstripped Y&R in European income last year, as did the combined agencies of Interpublic Group of Cos., Y&R says its $296.6 million in European income makes it the largest single agency on the continent.

It also derives a larger part of its income — 39.1 percent — from European advertising than any other agency, according to a study by Ogilvy & Mather Worldwide and Accountancy Age, a trade publication.

Alexander Kroll

NYT

"We have a clear strategy: 'One in Europe,'" Mr. DeDeo said on a recent visit from London, where he has been based for 15 years.

"We define that as having the biggest brand — an integrated agency network that any client can use all the parts of. We have no competing networks."

Mr. DeDeo's affirmation of the single-network strategy might also appear anachronistic in the modern world of multinetwork agencies such as Saatchi, WPP Group PLC, Interpublic and Omnicom Group Inc. Dated, too, may seem his faith in the way Y&R grew in Europe.

"We did not grow by acquisition," he said. "We did not buy any major agencies. Y&R London started from scratch in 1944, and we're the only agency to stay in the top 10 without buying. Same in Germany. Same in France."

FINA
PETROFINA
Société Anonyme

Highlights of the 1988 Report

Financial Highlights (Million Belgian francs)	1987	1988
Net income	17,544	20,191
Cash flow	44,557	56,888
Capital expenditure	32,790	64,505
Sales and other revenues	439,014	500,445
Duties and taxes	111,474	133,108
Fixed assets (net of depreciation)	183,538	212,460
Operating Highlights	**1987**	**1988**
Crude oil production (thousand metric tonnes)	5,245	5,668
Natural gas sales (million cubic metres)	3,758	4,283
Crude oil processed in the Group refineries (thousand metric tonnes)	22,848	27,100
Refined product sales (thousand metric tonnes)	30,057	33,680
Polymers and synthetic rubber production (thousand metric tonnes)	1,005	1,089

Report of the Board of Directors

Petrofina's share in the Group's consolidated profit for 1988 was 20,191 million Belgian francs (£308,851,000 or $548,568,000), compared with 17,544 million (£287,103,000 or $409,808,000) in 1987, an increase of 15%.

This improvement was due mainly to the Group's chemicals division, where results reached new record levels. Downstream sector margins improved, particularly in the United States, and our refineries operated at full capacity. Despite an increase in production, low crude oil prices have reduced the upstream sector's contribution

This sector, however, has further strengthened its position in the United States by acquiring Tenneco's Texas and Louisiana onshore properties, which supplement our activities in these areas. This acquisition had the effect of doubling the Group's American reserves

Two further salient features of the year were the Group's acquisition of our partner's share in the Antwerp refinery and the start of construction on the site of this refinery of a new steam cracker that will produce 450,000 tonnes of ethylene annually

Consolidated turnover rose to 487 billion Belgian francs (£7,445,273,000 or $13,223,993,000), an increase of 15%.

Cash flow was 56.9 billion Belgian francs (£870,205,000 or $1,545,622,000), compared with 44.6 billion (£729,147,000 or $1,193,160,000) in 1987.

The Group's capital expenditure in 1988 was approximately 65 billion Belgian francs, compared with 33 billion in 1987. In 1989, new investment commitments will be of the same magnitude, whereas expenditure will total 50 billion Belgian francs.

Finance

Capital investment for the year of 65 billion Belgian francs on a consolidated basis was 45 5 billion Belgian francs financed from cash flow, 6 billion Belgian francs from a reduction in working capital, 8.5 billion Belgian francs from an increase in long-term debt and the balance from the proceeds of assets sales.

Long-term debt amounted to 37 billion Belgian francs and total borrowings to 79 billion Belgian francs, an increase of 10 billion compared with 1987.

Shareholders' equity rose by 11 billion Belgian francs to 125 billion. The debt equity ratio was 63% compared with 60% in 1987.

Appropriation

At the General Meeting on May 12, 1989 the Board proposed the distribution of a dividend, net of withholding tax, of 400 Belgian francs per share, compared with 380 francs for the previous financial year. Taking account of the issue of one bonus share for every ten shares held in October 1988, the net dividend for the 1988 financial year, is 440 francs per ordinary share (and 470 francs per AFV share).

Coupon No 4 is payable as from May 23, 1989 at the rate of 400 francs after tax for ordinary shares an 427 francs after tax for AFV shares.

The English edition of the full Annual Report is available on application to Petrofina S.A., Public Relations, rue de l'Industrie 52, 1040 Brussels

Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30
Prices may vary according to market conditions and other factors.

June 1

Dollar Straights

Issuer	Cpn	Mat	Price	Yld Mat	Spd Trsy
Australasia					
Aust Com Bk	10	93	101⅞	9.43	+100
Australia	11	95	107½	9.30	+62
Australia	11½	95	109⅞	9.35	+64
Austria Contrl	12¼	93	91⅛	15.31	n.a.
Council Europe	13	93	95½	14.59	n.a.
Eurofima	13	93	96⅛	14.36	n.a.
N S Wales Trsy	11⅝	90	101⅛	9.98	+224
New Zealand	7¼	89	99¼	9.63	+245
New Zealand	7⅝	90	98	9.89	+212
New Zealand	7½	91	95½	9.76	+168
New Zealand	7⅝	91	95½	9.74	+161
New Zealand	8	93	98⅛	8.38	+2
New Zealand	8¼	93	95⅝	9.41	+129
New Zealand	8½	93	95⅝	9.90	+159
New Zealand	10¼	95	102	9.79	+165
New Zealand	8	97	91⅝	9.56	+77
Qantas	10⅝	95	104½	9.44	+76
Qantas	9⅝	96	95⅝	9.51	+78
Queensland	11⅞	89	100½	9.84	+246
Queensland	8	91	96⅝	9.87	+185
Queensland	7¼	92	93⅞	9.82	+162
Queensland	10¼	95	103⅞	9.41	+71
St Bk Sth Aust	10¼	92	101¼	9.66	+147
St Bk Sth Aust	9¼	93	98⅝	9.64	+133
Sth Aust Gov	8⅝	93	97⅛	9.63	+131
Victoria Sec 5	10	92	100⅛	9.69	+141
Victoria P	11⅝	92	104⅝	9.64	+143
Victoria Sb	8½	93	96⅝	9.65	+130
Victoria Publ	8⅝	96	93⅝	9.60	+63
Canada					
B C Hydro	15¼	92	113¾	9.86	+162
B C Hydro	11¾	93	106⅝	9.73	+132
Bank of Nova S	8⅝	90	98¼	9.88	+206
Canada	11½	90	101¼	9.59	+202
Canada	10	95	104⅝	9.05	+34
Canada	9	96	100¼	8.93	+21
Canadair	12½	89	101	9.38	+207
Canadian Pacif	12½	90	103	9.91	+206
Canadian Pacif	10⅝	93	101¾	10.19	+231
Canadian Pacif	7½	96	88⅜	9.81	+107
E D C	12	89	100½	9.89	+260
E D C	10	90	99⅞	10.36	+258
E D C	8¼	91	97⅞	9.58	+164
E D C	8½	92	97	9.75	+154
Farm Credit	7½	93	92	9.78	+134
Farm Credit	7⅝	96	91⅞	9.38	+63
Manitoba	11¾	89	100⅛	10.12	+281
Manitoba	10½	90	100	10.49	+273
Manitoba	8¼	91	98⅛	9.87	+195
Manitoba	12½	94	111⅞	9.51	+90
Manitoba	7⅝	96	90⅞	9.45	+71
Ontario Hydro	11¼	89	101	8.92	+152
Ontario Hydro	10¼	90	100½	9.64	+189
Ontario Hydro	11¾	90	102½	9.53	+169
Ontario Hydro	13½	91	105½	9.78	+184
Ontario Hydro	12⅝	92	108⅛	9.70	+143
Ontario Hydro	15	92	113¼	9.87	+163
Ontario Hydro	11⅛	94	107⅝	9.43	+95
Petro-Canada	7⅝	96	89⅞	9.37	+63
Prov Albert	7⅝	91	95⅝	9.54	+139
R B C	8⅝	93	95¼	9.87	+151
Saskatchew	11⅞	89	100½	9.95	+264
Saskatchew	10¼	90	100½	9.83	+228
Saskatchew	7½	91	95⅝	9.79	+175
Saskatchew	8½	91	98	9.76	+181
Saskatchew	10¼	92	102	9.84	+164
Saskatchew	15	92	113¼	9.90	+166
France					
B F C E	7¼	91	95⅛	9.62	+151
B F C E	7	92	93¾	9.62	+142
B F C E	7¼	93	92¾	9.55	+121
B F C E	7⅞	96	92⅝	9.41	+65
B F C E	7¾	97	91⅞	9.25	+46
B N P	8⅝	93	96⅛	9.88	+155
C A E C L	9⅝	95	98½	9.69	+98
C C C E	7⅛	91	94⅝	9.64	+153
C E P M E	7⅜	91	95⅛	9.60	+154
C E P M E	10⅛	91	100⅝	9.70	+158
C E P M E	7¼	92	94½	9.54	+133
C N C A	10	90	100½	9.50	+166
C N C A	11¼	90	100¾	9.50	+206
C N C A	7¼	91	94⅞	9.60	+145
C N C A	13¼	91	105	10.31	+231
C N C A	11½	92	104½	9.57	+136
C N C A	7½	94	92¼	9.61	+113
C N C A	7⅝	96	89⅞	9.55	+81
C N E	11¼	95	109⅛	9.42	+76
C N T	7	91	94½	9.54	+140
C N T	13⅛	91	107	9.77	+175
C N T	8½	93	96¼	9.73	+142
Cr Foncier Ew	10⅝	91	102⅛	9.61	+161
Cr Foncier Ew	12½	92	107⅞	9.54	+130
Cr Foncier	7½	94	92⅞	9.47	+101
Cr Lyon F/P	7¼	93	93½	9.72	+133
Cr Lyonnais	9	91	98⅝	9.69	+175
Cr Lyonn	8⅝	92	97	9.95	+172
Cred National	8¼	93	96¼	9.46	+113
Credit Nat	7¼	91	94⅞	9.61	+146
Credit Natl	7⅝	92	94⅞	9.53	+132
E D F	7⅝	93	94¼	9.34	+89
E D F	11⅛	93	106.050	9.19	+86
E D F	10	95	101¼	9.71	+155
S N C F	11½	93	106½	9.36	+104
S N C F	7¼	94	92	9.44	+97
S N C F	7⅜	96	91⅞	9.39	+64
Japan					
All Nippon Air	9⅝	97	97¾	9.79	+98
Allied-Signal	8	06	83½	10.07	+96
Bk of Tokyo	13⅝	89	100⅝	10.11	+291
Bk of Tokyo	11	90	100⅝	9.80	+221
Bk of Tokyo	11⅝	90	102⅝	9.74	+185
Bk of Tokyo	8	93	94	9.69	+125
Bk of Tokyo	8⅝	96	94⅝	9.54	+81
Canon	7⅝	91	94¼	10.28	+214
Dai-Ichi	10⅝	90	100½	9.83	+204
Dai-Ichi	12¼	90	102¾	9.87	+202
Dai-Ichi	7¾	91	95	10.06	+192
Dai-Ichi	8½	91	97⅝	9.78	+182
Daiwa 5	7¼	92	93¾	10.06	+186
Daiwa 2	7⅝	93	92¼	10.05	+159
Dkb Asia	8⅛	97	96⅞	9.87	+178
Dkb Asia 2	8	93	94	9.73	+132
Fuji B & T	7⅝	91	94⅝	10.15	+203
Fuji Intl	10⅝	90	100⅝	9.94	+220
Ibm Japan	7¼	91	94	10.02	+187
Ind Bk Jap	7⅝	92	94⅝	9.78	+142
Ind Bk Jap	8	93	94½	9.68	+130
Ind Bk Jap	7⅞	97	91⅝	9.42	+63
Jap Airl	8¼	96	92½	9.47	+94
Jap Airl	8⅛	96	92	9.65	+87
Jap Dev Bk	8	94	94⅝	9.37	+84
Jap Highway	7⅝	96	90	9.65	+91
Kobe Steel	7⅝	92	94¼	10.14	+195
L T C B	11⅝	89	100	n.a.	
L T C B	11	90	100⅝	9.73	+217
L T C B	8	91	96⅛	9.83	+177
L T C B	7¼	93	93½	9.77	+143
L T C B	8	93	94½	9.75	+142
L T C B	8⅝	93	96⅝	9.69	+138
L T C B	8	96	91⅞	9.59	+83
L T C B	8	97	91⅛	9.56	+78
Metro of Tokyo	9½	93	100⅝	9.34	+104
Metro Tokyo	8¼	96	94¼	9.34	+57
Mitsub Ew	12⅝	89	100⅝	9.94	+264
Mitsub Finance	11⅝	90	101½	9.78	+201
Mitsub Fin 2	7⅝	93	93⅝	9.80	+135
Mitsubishi	7¼	92	94⅝	9.89	+172
Mitsui Tst	12⅝	89	100⅝	10.34	+306
Mitsui Tst 2	7¼	94	91¾	10.02	+153
N C B	13⅝	89	100⅛	9.85	+280
N C B	11	90	101	9.75	+201
N C B	11⅝	90	102½	9.82	+195
N C B	7½	91	94⅝	9.85	+171
N C B	8½	91	97¼	10.20	+223
N C B	8	93	94	9.77	+141
N C B	11¼	93	103⅝	9.15	+164
N C B	10⅝	95	103⅝	9.55	+87
N C B	10⅝	95	105⅛	9.50	+79
Nippon Tel Tel	9½	95	101⅛	9.24	+56
Nomura Intl	7¼	92	93¼	10.04	+182
Panasonic	9	92	98⅝	9.45	+123
Sanwa Intl Fin	11½	92	103⅝	9.99	+176
Sanwa Intl	11⅞	92	102	10.88	+271
Sumitomo	10⅝	90	101	9.73	+197
Sumitomo 2	7¼	91	95½	9.86	+174
Sumitomo	12¼	91	103⅝	10.58	+251
Sumitomo Bk	7½	92	94½	9.81	+161
Sumitomo	11¾	92	104	9.98	+178
Taiyo Kobe 2	7¼	94	92⅞	9.71	+124
Tokai Asia	11½	95	107⅛	9.84	+115
Tokai Bank	7½	91	95½	10.18	+219
Toyo Trust 2	7⅝	92	93¾	10.15	+197
Toyota	7	89	98⅝	10.16	+282
Toyota	8⅝	90	98⅝	10.07	+230
Toyota	8⅝	90	98⅝	9.45	+182
Toyota	9	90	99	9.66	+177
Toyota	7⅝	92	94⅛	9.73	+155
Toyota Motor	8	91	97⅝	9.65	+170
Toyota Motor	8	91	97⅝	9.66	+170
Toyota Motor	8½	91	97½	10.84	+205
Toyota Motor	9⅝	98	99⅝	9.74	+189
Yasuda Tst	12⅝	89	100	n.a.	
Yasuda Tst	8½	93	95¼	9.98	+162
Yasuda Tst	10⅝	95	103	9.81	+112
Scandinavia					
Denmark	7	89	99⅝	10.19	+302
Denmark	11¼	89	100	n.a.	
Denmark	11½	90	101½	9.68	+194
Denmark	8¼	91	97½	9.67	+163
Denmark	12	91	103¼	9.84	+189
Denmark	13	91	105½	9.76	+176
Denmark	13¼	91	106⅝	9.76	+167
Denmark	7⅛	92	94¼	9.61	+141
Denmark	11½	92	105½	9.20	+109
Denmark	7¾	93	94⅝	9.56	+122
Exportfinans	8½	90	98	9.91	+282
Exportfinans	8½	91	97⅝	9.72	+169
Exportfinans	7¼	92	94⅝	9.55	+138
Exportfinans	11¼	92	103⅝	9.57	+136
Exportfinans	7⅝	93	93⅝	9.50	+110
Exportfinan	7⅝	93	93½	9.47	+102
Exportfinans	7⅝	96	91¾	9.44	+67
Fin Export	8½	92	97½	9.54	+134
Finland	9⅝	92	98¼	9.69	+140
Forsmarks	8⅝	91	98¼	9.86	+193
N I B	7½	91	95¼	9.78	+167
N I B	8⅝	91	97¾	9.76	+180
N I B	7½	93	92¼	9.81	+142
N I B	8¼	93	96⅝	9.52	+121
N I B Ser A	9⅝	96	99	9.82	+109
Norsk Hydro	8⅝	90	97¾	10.85	+304
Norsk Hydro	8½	91	97¾	9.98	+206
Norsk Hydro	7	92	93⅞	9.80	+164
Norsk Hydro	10	93	99½	10.13	+280
Norsk Hydro	9	94	96⅝	9.87	+138
Norsk Hydro	8	96	92⅛	9.61	+88
Norsk Hydro	8¼	97	91⅞	9.80	+100
Norway	7¼	91	95⅝	9.46	+140
Norway	8⅝	93	94⅝	10.51	+220
Western Europe (Other)					
Prudential	8	93	95½	9.27	+85
Prudential	10⅝	93	103	9.44	+131
Prudential	8⅝	94	98⅝	9.09	+53
Prudential	12⅝	95	107⅞	10.18	+157
Reynolds RJ	10	91	96¼	11.54	+342
Reynolds	10¼	93	96	11.45	+305
Rockwell	9⅝	90	99	10.79	+300
Sears	11⅝	91	102¼	9.59	+207
Sears	11⅝	93	105⅝	9.90	+148
Sears Roeb	8½	90	98	10.13	+229
Smithkline	8⅝	92	96¼	10.15	+190
Utd Technol	11¼	92	103⅛	9.77	+161
Utd Technol	7⅝	93	93½	9.74	+140
Utd Technol	10⅝	95	102⅝	10.02	+163
Warner Lamb	8⅛	96	93	9.55	+82
Xerox	8⅝	91	97¾	10.02	+207
Austr Contr	10⅝	90	101¼	9.48	+163
Austr Contr	10	91	100⅝	9.57	+157
Austr Control	9⅝	92	99⅝	9.48	+111
Austria	8½	93	98	9.94	+206
Austria	13⅝	92	109½	9.87	+163
Austria	11¼	95	108⅝	9.30	+64
Austria	7⅝	97	92	9.23	+45
Banco Di Roma	9⅝	93	93	n.a.	
Belgium	8½	93	96⅝	9.52	+121
Deut Bank	8	98	91¼	9.46	+60
Dsl Bank	7½	96	88⅝	9.82	+108
Dsl Bank	8⅛	96	91½	9.83	+108
Ferrovie Dello	8½	93	96⅞	9.46	+114
Fiat Fin Trade	8½	91	97⅛	9.91	+189
Hoechst Tr A	7⅝	92	94	9.91	+171
Hoechst Tr B	7⅝	94	93¼	9.69	+118
Hoechst Tr C	8⅛	97	93½	9.45	+66
Mercedes-Benz	8¼	92	95⅝	9.93	+170
Mercedes	7¼	93	91¼	9.71	+126
Mercedes	7½	93	92⅝	9.76	+137
Mercedes Benz	8½	95	95¼	9.40	+93
Netherlands	6¼	98	97½	6.65	n.a.
Portugal	8¼	91	97¼	9.96	+201
SBC Finance	7¾	90	98⅝	9.99	+226
Shell Oil	9½	98	99¼	9.99	+211
Unilever	9⅞	92	101	9.48	+120
Unilever	8⅝	98	96½	9.47	+62

Dollar Zero Coupons

Issuer	Mat	Price	Yld Mat	Spd Trsy
A D B	94	26⅜	9.08	+2
A I G	04	27	9.01	-5
A R C O Fin	92	78	9.82	+164
Amex	00	38⅝	9.12	+18
Austria Rep	95	58¼	9.25	+57
Baker Feb25	92	75	11.19	+300
Benefic Feb10	90	93⅞	9.89	+241
Bk of Tokyo	91	82½	10.22	+221
BP Capital	95	58	9.45	+77
Bq Indosuez	92	77	10.13	+194
Campbell	92	76⅝	9.98	+177
Caterpillar	92	73¼	10.87	+183
Caterpillar	94	63⅝	10.87	+159
Centrust	10	16¼	9.18	+9
Crocker	92	76¼	10.53	+234

Issuer	Cpn	Mat	Price	Yld Mat	Cur Yld
Archer Daniels	6	97	92.25	7.32	6.50
Australia P/P	5⅝	90	98.25	8.19	5.85
Australia P/P	5¼	91	95.75	7.30	5.48
Australia 1Ser	9⅝	91	103.00	7.37	9.10
Australia 2Ser	9⅜	91	102.00	8.42	9.19
Australia	7¼	92	102.25	6.96	7.58
Australia	6⅝	93	100.35	6.74	6.85
Australia	6¼	96	95.55	7.10	6.54
Australia	7¼	96	100.85	7.09	7.19
Bk America	5⅝	90	97.55	7.63	5.89
Bk Nova Scotia	5⅝	96	90.35	7.46	6.23
Black & Decker	5⅝	94	91.50	7.96	6.28
C P C Finance	6⅝	01	92.50	7.75	7.30
Cb of Turkey	6⅝	92	98.25	7.59	7.00
Chrysler	6¾	96	95.00	7.72	7.11
Chrysler	6⅝	97	93.80	7.87	7.12
Citicorp	6⅝	96	95.50	7.18	6.68
Dai-Ichi	6½	96	94.75	7.52	6.86
Dow Chemical	6¾	95	99.50	6.84	6.78
Dow Chemical	5⅝	96	92.05	7.12	6.11
E D C	6⅝	90	99.75	7.03	6.89
Emhart	6¾	95	87.95	9.33	7.67
Ford Motor Ex	5¾	92	96.85	7.02	5.94
Ford Motor	7	95	97.75	7.44	7.14
Full	7⅝	92	101.25	7.20	7.46
Genl Motors Co	5¾	96	91.75	7.29	6.27
Gillette Fin.	6	94	92.85	7.76	6.46
Gould Intl	7⅝	91	100.00	7.62	7.62
Honeywell Inv.	6¼	97	91.65	7.72	6.82
Ind Bk Japan	5⅝	96	97.35	6.11	5.78
Itt	7	93	97.35	7.85	7.19
J F M	7⅝	91	100.05	7.59	7.62
Jap Dev Bk	7½	90	99.60	7.87	7.53
Jap Fin Corp	6⅝	92	96.45	6.81	6.46
Kobe City	7⅛	89	99.50	8.33	7.16
Kobe City	8	90	101.70	n.a.	7.87
Kobe City	7	93	99.55	7.13	7.03
Malaysia	7½	95	100.95	7.30	7.43
Manitoba	7⅜	93	100.10	7.34	7.37
Manitoba	7⅝	94	100.85	7.41	7.56
Manitoba	6⅜	95	96.55	7.11	6.62
Manitoba	5⅝	96	92.35	7.25	6.36
Mcdermott	6½	91	97.85	7.66	6.64
Mcdonalds Dec	7⅛	92	101.75	6.53	7.00
Mcdonalds Fin	7¼	94	102.00	7.26	7.40
Montreal	5⅝	98	89.95	7.46	6.53
Mount Isa	7⅝	92	100.95	7.36	7.68
N C B	7¼	91	103.45	5.23	7.01
N T T	6⅛	97	92.50	7.42	6.62
New Zealand	9⅝	89	100.75	7.70	9.68
New Zeala Apr	7¼	91	99.35	7.62	7.30
New Zeala Oct	7¼	91	99.35	7.53	7.30
Nippon Steel	6¾	89	99.35	7.86	6.79
Occidental	6¾	90	98.40	7.89	6.86
Owens Corning	7¼	80	98.75	7.41	7.34
Philip Morris	6	96	92.55	7.43	6.48
Pillsbury	6⅝	92	96.80	7.96	6.98
Quebec Hydro-E	10¼	91	105.45	7.71	9.72
Quebec Hydro-E	8	93	104.55	6.55	7.65
Quebec Hydro	7⅝	94	102.75	6.82	7.47
Quebec Hydro	7⅛	95	101.15	6.88	7.04
Quebec Hydro	5½	96	90.25	7.35	6.09
Quebec Hydro	6	16	85.35	7.35	7.03
Quebec Prov	7½	91	101.75	6.45	7.37
Quebec Prov	10¾	91	106.00	7.68	10.14
Quebec Prov	7⅝	95	102.90	6.90	7.41
Quebec Prov	6	97	91.45	7.48	6.56
Quebec Prov	6½	98	95.15	7.26	6.83
Reynolds	7⅜	94	98.25	7.82	7.51
World Bk	6	96	94.10	7.08	6.38
World Bk	5⅞	97	92.50	7.17	6.35
World Bk	6¼	97	101.95	5.94	6.13
World Bk Mar	6¼	16	88.20	7.26	7.09

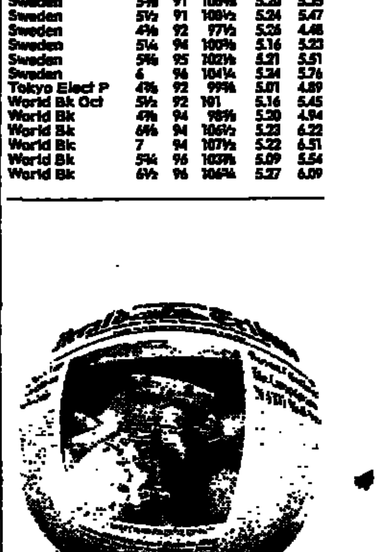
DM Zero Coupons

Issuer	Mat	Price	Yld Mat
Austria	95	134.75	n.a.
Austria	00	139.85	n.a.
Austria	16	143.75	n.a.
Commerzbk	95	68.15	6.65
Commerzbank	00	47.50	6.90
Euro Dm Sec C	96	62.50	7.12
Euro Dm Sec A	01	42.70	7.50
Euro Dm Sec B	06	28.55	7.74
Euro Dm Sec D	06	27.95	7.87
Euro Dm Sec D	21	9.50	7.48
Euro-Dm A	06	28.40	7.80
Euro-Dm C	06	28.25	7.80
Euro-Dm A	11	19.35	7.84
Euro-Dm D	11	19.55	7.76
Euro-Dm	16	14.20	n.a.
Euro-Dm B	16	14.25	7.54
Euro-Dm C	16	13.85	7.64
Euro-Dm D	26	7.05	7.47
Federal Sec.	07	25.40	8.07
Intercontl	00	45.90	7.27
World Bk	15	16.20	7.10

ECU Straights

Issuer	Cpn	Mat	Price	Yld Mat	Cur Yld
Aerospatiale	7⅝	92	95⅝	9.52	7.96
Austria	7⅛	93	95⅝	8.84	7.73
B F C E	8⅝	93	98½	9.03	8.76
B F C E	7⅝	96	93¾	8.90	8.14
Bca Naz Del La	7⅝	94	94⅝	9.16	8.10
C C C E	7½	92	96¾	8.88	7.75
C N A	7¾	95	92½	9.06	7.87
C N T Tra B	9⅝	95	101½	9.52	9.73
Cr Foncier	7¼	94	95.050	8.72	8.02
Cr Lyonnais	6⅝	92	94⅝	8.83	6.77
Credit Locl Fr	7½	93	95¾	8.82	7.83
Credit Natl	7⅝	98	98	10.03	7.53
Credit Natl	8⅞	95	96½	9.66	9.20
Credit Suisse	7⅛	93	94⅝	8.95	7.48
Denmark	7¾	92	96¼	9.40	8.05
Denmark	7⅝	94	96	8.95	8.20
Denmark	7⅝	96	93¾	8.95	8.17
E C S C	8	97	94¼	9.06	8.49
E D C	6⅝	96	87⅛	9.01	7.32
E D F	7⅛	98	91.850	8.54	7.83
E E C	7½	92	96¾	8.87	7.75
E E C	8⅝	93	99⅞	8.88	8.89
E E C	7⅝	94	95	8.95	8.03
E I B	8⅝	93	99⅝	8.81	8.48
E I B	7⅝	94	95.050	8.95	8.02
E I B	8⅝	97	97⅞	8.73	8.56
Elf Aquitaine	8⅝	88	100	n.a.	8.37
Euratom	7⅝	96	91	9.14	8.10
Euratom	7¼	97	90½	9.11	8.15
Eurofima	7⅝	94	95.050	8.95	8.02
Eurofima	7⅝	97	91⅞	8.87	8.03
Finnish Export	7⅜	92	96¾	8.72	7.42

Issuer	Cpn	Mat	Price	Yld Mat	Cur Yld
World Bk May	8½	92	103.55	7.89	8.21
World Bk	9	92	105.15	7.14	8.56
World Bk	9½	92	106.75	7.02	8.90
World Bk	5¾	93	94.85	7.29	6.06
World Bk	7¼	93	100.45	7.09	7.22
World Bk	7½	93	100.65	7.29	7.45
World Bk Dec	8	93	102.85	7.21	7.78
World Bk Nov	7⅝	94	101.40	7.29	7.52
World Bk	8⅛	94	103.85	7.20	7.82
World Bk	6½	95	98.45	6.80	6.60
World Bk Aug	7	95	100.35	6.92	6.98
World Bk Jan	7⅛	95	100.60	6.98	7.08
World Bk	7¼	95	101.15	6.98	7.17
World Bk	7¾	95	102.25	7.25	7.58
World Bk	5¾	96	92.50	7.18	6.22



The Global Newspaper.

Mutual Funds

Figures as of close of trading Friday June 2

	Bid	Ask
GvtOb p	11.28	11.84
Grwth	8.00	8.40
IncBos	9.47	9.94
Invest	7.38	7.75
MunBd	9.19	9.65
Nautls	11.98	12.58
SpEqt	21.52	22.59
TotRt p	8.87	9.31
VS Spl	12.94	13.59
Equity	7.53	7.84
FedTx	11.43	11.91
FL TF	10.88	11.33
Gold	11.26	11.73
Grwth	22.00	22.92
HY TF	10.72	11.17
Incom	2.09	2.18
InsTF	11.39	11.86
MoTF	10.86	11.31
MI Tax	11.19	11.66
Intl t	7.00	7.00
KPM t	15.56	15.56
TxETr t	10.94	10.94
TaxF t	8.31	8.31
Eqin t	10.81	11.03
Glbinc t	9.56	9.76
GovSc t	9.90	10.10
GlStk t	13.11	13.38
HiYld t	9.05	9.23
RealE	8.49	9.20
REInc	9.45	10.24
Stock	8.84	9.53
StrAll p	11.61	12.58
Tax Ex	10.06	10.53
TotRe	8.15	8.79
NatTele	18.20	19.11
NatBd	9.36	10.12
NatFd	13.94	15.07
NatGI	9.34	10.10
Georg	13.59	14.85
Globl p	14.87	15.61
GroInc	12.37	13.52
Health	20.27	22.15
HiInc p	10.13	10.86
Hi Yld	14.24	15.27
HYdII p	11.06	11.86
Incom	6.87	7.37
InfoSc	20.86	22.82
Int Eq	27.88	30.47
Invest	8.24	9.01
Gwth	15.59	15.59
Muni	7.94	7.94
Am Ind	2.27	NL
Assoc	.74	.74
Invest	1.46	NL
Ocean	3.90	NL

Wall Street Review

NYSE Most Actives

	Vol.	High	Low	Last	Chg.
Texaco	217849	52	49	49⅝	—1¼
TexUtil	125835	30¾	29⅝	30⅝	+ ⅜
EKodak	88073	47⅞	44⅝	47⅛	+1½
UCarb	72181	28½	26⅞	28⅝	+1
AT&T	71197	36¾	35⅛	36¼	+ ½
USX	65645	37½	34½	36½	+1⅝
IBM	63858	110⅝	107½	110⅛	+ ⅝
GenEl	60552	56¼	53⅝	55⅝	+1½
Motorla	57564	60⅝	54	58⅝	+4⅝
Ramad	51984	13⅝	12	13⅝	+1⅝
FordM	50320	50⅛	48	49⅞	+1½
Time	46220	135½	123	123	—9
SmkBck	45233	62⅝	60⅝	60⅝	—1⅛
RJR pf	44953	22⅝	22	22½	+ ⅛
Maytag	43695	24	22⅛	23¼	+ ¼
Citicorp	43307	34	31	33⅞	+2½
PetPar	42523	29⅞	25⅝	28⅞	+3⅝
PSEG	42420	26¼	25⅝	25¾	+ ⅜
WarnC	41253	52¼	50⅛	52⅛	+ ⅝
Gillete	40132	43	38⅝	41½	+2
PNC	40119	47½	45⅝	47	+1⅝
GMotr s	39795	41⅝	40	41⅛	+ ⅝
Varity	38123	2⅝	2⅛	2⅝	
Exxon	37837	43⅞	42⅞	43⅝	— ⅛
AMD	37322	10½	9⅝	10⅜	+ ⅞

AMEX Most Actives

	Vol.	High	Low	Last	Chg.
BAT	46283	9⅝	8⅝	9⅝	+ ⅝
Hasbro	32631	22⅝	19⅝	21⅝	+2¼
TexAir	22063	14¼	13⅝	14¼	+ ½
OMI	16528	10⅝	9½	10⅝	+1⅛
Amdhl s	14409	23¼	22¼	22¾	+ ⅛
FruitL	12755	11½	10⅝	11⅛	+ ¼
WangB	10902	8⅝	7⅝	8⅝	+ ⅝
CornCr	10842	19⅝	17⅝	19⅝	+1½
EchoBy	10412	13⅝	13¼	13⅝	+ ½
NY Tim	10268	32⅞	31⅝	32¼	+ ¼
InfBlant	8119	5⅝	5½	5⅝	+ ⅛
JetTich	7928	9⅛	8⅝	8¾	— ¼
FAusPr	6734	8⅝	8¼	8⅝	+ ⅜
Diasonc	6516	3	2⅝	2⅞	
IGI	6448	16⅞	14⅝	15⅝	+ ⅞
Lionel	5212	7⅝	6⅞	7¼	— ⅛
DWG	5178	14¼	13	13⅝	— ⅞
Conest	5010	2¾	2¼	2¾	+ ⅜
AdMd n	4853	8½	7⅝	8½	+ ½
WDigitl	4724	11½	11	11⅛	— ¼
Fibrbd n	4648	17⅝	15	15½	— ⅞
HomeSh	3815	5⅝	5	5⅛	— ⅛
TIE	3708	1½	1¼	1½	+ ⅛
Alza	3667	33⅝	32¼	32⅝	—1
Cominc	3617	22⅝	21¼	22¼	+1

NYSE Sales

	Sales Vol.
Total for week	766,610,000
Week ago	848,890,000
Year ago	865,310,000
Two years ago	734,280,000
Jan 1 to date	17,691,522,820
1988 to date	17,057,390,000
1987 to date	19,406,160,000

AMEX Sales

	Sales Vol.
Total for week	53,030,000
Week ago	58,730,000
Year ago	39,960,000
Jan 1 to date	1,212,920,000
1988 to date	1,167,700,000

NYSE Diaries

	This Wk	Last Wk
Advanced	1252	1133
Declined	614	757
Unchanged	293	298
Total Issues	2159	2188
New Highs	432	400
New Lows	46	58

AMEX Diaries

	This Wk	Last Wk
Advanced	498	396
Declined	345	407
Unchanged	199	225
Total Issues	1022	1028
New Highs	182	99
New Lows	30	51

New International Bond Issues

Compiled by G. Jennifer Shapiro

Issuer	Amount (millions)	Mat.	Coup. %	Price	Price end week	Terms
FLOATING RATE NOTES						
State Bank of Victoria	$125	1999	0.50	100	—	Over the 3 month Libor, semiannual. Callable at par in 1994, borrower has option to extend the issue for a further 15 years. Fees 0.30%. Denominations $10,000. (Merrill Lynch Europe.)
Gracechurch Mortgage Finance PLC	£175	2019	0.20	100	—	Over the 3 month Libor, spread rises to 0.50 basis points in June 1999. Callable at par in 1992. Fees 12½%. (Barclays de Zoete Wedd.)
FIXED COUPON						
Ferrovie Dello Stato	$500	2009	9⅛	101⅝	101.25	Noncallable. Puttable at par in 1999. Fees 2%. Denominations $10,000. (Morgan Stanley Int'l.)
Metropolis of Tokyo	$200	1994	9¼	101⅛	101.00	Noncallable. Fees 1⅞%. (IBJ Int'l.)
Osterreische Kontrollbank	$175	1994	9¼	101⅜	100.87	Noncallable. Fees 1⅞%. (J.P. Morgan Securities.)
Republic of Finland	$250	1996	9	100⅛	99.375	Noncallable. Fees 1⅞%. (J.P. Morgan Securities.)
Xerox Capital	$125	1993	10	101.72	101.10	Noncallable. Fees 1⅞%. (Goldman Sachs Int'l.)
Fiat Finance & Trade	DM 100	1992	8¾	100⅛	—	Noncallable. Redeemable in either Marks or Canadian Dollars at a fixed rate of 1.52 Deutsche Marks per Canadian dollar. Private placement. Fees 1⅞%. (Westdeutsche Landesbank Girozentrale.)
Inter-American Development Bank	DM 300	1999	7¼	100½	99.70	Noncallable. Fees 2%. (Deutsche Bank.)
Zentralsparkasse & Kommerzialbank	DM 100	1999	7½	102¼	—	Noncallable. Private placement. Fees 2⅛%. (Morgan Stanley GmgH.)
Dutch Vereniging Aegon	DF 100	1992	7¾	100¾	99.50	Noncallabe. Fees 1⅞%. Private placement. (Algemene Bank Nederland.)
Heineken NV	DF 150	1994	7⅝	101½	99.60	Noncallabe. Fees 1⅞%. Denominations 10,000 Guilders. (Alegemene Bank Nederland.)
Waterschapsbank	DF 150	1999	7⅝	102	100.00	Noncallabe. Fees 2%. (Amsterdam-Rotterdam Bank.)
Japan Highway Public Co.	ECU 150	1996	9⅛	101.65	100.00	Noncallabe. Fees 1⅞%. (Long Term Credit Bank of Japan.)
New South Wales Treasury	Aus$ 80	1993	12½	93.431	—	Noncallable. Fees 1⅞%. Fungible with a 150 million bond issued March 31 and exchangeable to an identical domestic issue. Denominations 10,000 Australian dollars. (Bain & Co. Securities.)
Banco di Napoli	Y 3,000	1994	7.76	101⅜	—	Puttable and callable in 1992. Fees 1⅞%. Denominations 100 million yen. (IBJ Int'l.)
GTE Finance Co.	Y 13,000	1994	5½	101½	99.625	Noncallable. Fees 1⅞%. Denominations 1 million yen. (Yamaichi Int'l. Europe.)
Marubeni U.K.	Y 17,500	1994	11.13	112⅜	—	Until 1995, then 7.732% thereafter. Callable in 1993. Fees 1⅞%. Denominations 10 million yen. (Daiwa Europe.)
State Bank of South Australia	Y 35,000	1996	5½	101⅞	—	Until 1992, then linked to the Nikkei Index. Noncallable. Fees 1⅞%. (Nomura Int'l.)
EQUITY-LINKED						
Alps Electric	$250	1993	4⅛	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,733 yen per share and at 144.90 yen per dollar. Fees 2⅛%. (Daiwa Europe.)
Amada Sonoike Co.	$100	1993	open	100	101.25	Coupon indicated at 4½%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2⅛%. Terms to be set June 6. (Nomura Int'l.)
C. Itoh Co. (European Tranche.)	$600	1994	open	100	100.00	Coupon indicated at 5%. Noncallable. Each $25,000 note with five warrants exercisable into company's shares at an expected 2½% premium. Fees 2⅛%. Terms to be set June 5. Denominations $25,000. (Nikko Securities Europe.)
Dai-Ichi Kangyo Bank	$300	2004	open	100	97.75	Coupon indicated 3⅜%.Conversion price will be at a 5% premium over the closing share price on June 6, 1989 when final terms will be fixed. Callable at 104 in 1992 declining to par by ½ point per year. Semiannual. Fees 2½%. (DKB Int'l.)
Daiwa House Industry Co.	$800	1993	4	100	99.50	Noncallable. Each $10,000 note with two warrants exercisable into company's shares at 324 yen per share and at 143.10 yen per dollar. Fees 2⅛%. Denominations $10,000. (Nomura Int'l.)
Kobe Steel (European Tranche.)	$300	1993	open	100	100.00	Coupon indicated at 4½%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2⅛%. Terms to be set June 6. (Yamaichi Europe Int'l.)
Mitsubishi Heavy Industries	$1,500	1993	4	100	101.87	Noncallable. Each $10,000 note with two warrants exercisable into company's shares at 1,200 yen per share and at 143.95 yen per dollar. Fees 2⅛%. Denominations $10,000. (Nikko Securities Europe.)
Mitsukoshi	$400	1993	4	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 2,491 yen per share and at 143.95 yen per dollar. Fees 2⅛%. (Nomura Int'l.)
Nichirei Co.	$150	1993	open	100	101.37	Coupon indicated at 4½%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2⅛%. Terms to be set June 6. (Nomura Int'l.)
Nikon Co.	$300	1993	open	100	100.75	Coupon indicated at 4½%. Noncallable. Each $10,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2⅛%. Terms to be set June 6. (Nikko Securities Europe.)
Olympus Optical (Asian Tranche.)	$150	1993	4	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,425 yen per share and at 143.85 yen per dollar. Fees 2⅛%. (Nomura Singapore.)
Olympus Optical (European Tranche.)	$150	1993	4	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,425 yen per share and at 143.85 yen per dollar. Fees 2⅛%. (Yamaichi Int'l Europe.)
Press Kogyo Co.	$100	1993	4¼	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 946 yen per share and at 143.85 yen per dollar. Fees 2⅛%. (Nomura Int'l.)
Sapporo Breweries	$200	1993	4⅛	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 1,845 yen per share and at 144.90 yen per dollar. Fees 2⅛%. (Yamaichi Int'l Europe.)
Seiko Corporation	$80	1993	4⅜	100	—	Noncallable. Each $5,000 note with one warrant exercisable into company's shares at 943 yen per share and at 144.90 yen per dolar. Fees 2⅛%. (Daiwa Europe.)
Silicon Graphics	$50	2004	open	100⅛	—	Coupon indicated at 7½ to 8%. Conversion premium indicated at 19% to 23%. Callable at par plus coupon from 1989 declining in equal amounts to par starting June 1999. Noncallable until 1992 subject to the 130% rule. Fees 2½%. (Morgan Stanley Int'l.)
Suzuki Motor Co.	$300	1993	4	100	100.00	Noncallable. Each $10,000 note with two warrants exercisable into company's shares at 957 yen per share and at 143.95 yen per dollar. Fees 2⅛%. Denominations $10,000. (Nikko Securities Europe.)
Tokyu Construction Co.	$150	1993	open	100	100.75	Coupon indicated at 4½%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2⅛%. Terms to be set June 5. (Yamaichi Int'l. Europe.)
Toyo Construction Co.	$100	1993	open	100	99.00	Coupon indicated at 4½%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premium. Fees 2⅛%. Terms to be set June 8. (Nomura Int'l.)
UBE Industries	$400	1993	open	100	100.00	Coupon indicated at 4½%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premimum. Fees 2⅛%. Terms to be set June 6. (Yamaichi Europe Int'l.)
Yokohama Rubber Co.	$120	1993	open	100	100.00	Coupon indicated at 4½%. Noncallable. Each $5,000 note with one warrant exercisable into company's shares at an expected 2½% premimum. Fees 2⅛%. Terms to be set June 6. (Yamaichi Europe Int'l.)
Dai-Ichi Kangyo Bank	DM 200	1996	open	100	96.30	Coupon indicated at 2⅞%. Conversion price at an expected 5% premium over the closing price of June 6, when final terms will be set. Callable at 103 in 1990 fall semiannualy by ½ point. Puttable and callable at 109 in 1994. Semiannual. Fees 2⅛%. (Dresdner Bank.)

With Growth Slowing, Prime Is Poised to Fall

Los Angeles Times Service

NEW YORK — Major U.S. banks will soon lower their prime lending rates in response to signs economic growth has slowed significantly, according to economists.

One medium-size bank, Southwest Bank of St. Louis, cut its prime rate Friday to 11 percent from 11.5 percent Friday.

Although no money-center banks immediately followed suit, economists said employment data released Friday, showing weak growth in nonfarm payroll employment last month, will almost certainly persuade the Federal Reserve Board to allow the cost of funds for banks to drift lower.

Neal M. Soss, managing director and chief economist of First Boston Corp., said such action by the Fed would prompt banks to drop their prime rates to 11 percent.

It would be the first such decline since the Fed began nudging the rate up from 8.5 percent in May 1988 to slow economic growth and dampen inflationary pressures. The rate has been at 11.5 percent since Feb. 23.

"If the Fed gives any kind of signal at all, as I would expect them to do, a prime rate cut would soon follow," Mr. Soss said.

Economists said the Fed is coming under increased pressure to reduce rates from U.S. trading partners and from the administration.

Both want U.S. interest rates lowered to help stem the rise in the value of the dollar, which is threatening to stymie improvement in the still-oversized American trade deficit.

The prime rate charged by commercial banks is a benchmark used to set rates for many types of consumer and business loans, such as some adjustable-rate home mortgages and most home-equity loans.

In recent weeks, there have been several strong signs that the rate of economic growth is dropping. Auto sales and housing starts have been off. And inflation indicators, including employment figures and data on prices, suggest that inflation is no longer an immediate threat.

Some interest rates paid by consumers have already started to fall. The Veterans Affairs Department said Friday that it would cut its maximum-home-loan interest rate to 10 percent from 10.5 percent. It would be the first change in the rate in more than six months.

"Inflation is under control," said Robert Defina, first vice president and senior economist of Security Pacific National Bank.

Mr. Defina said that Friday's report on employment added further confirmation. "The whole report just exuded weakness in the economy."

U.S. Bonds Soar on Jobless Report

Weak Payroll Growth Spurs Hopes Fed Will Ease Rates

Compiled by Our Staff From Dispatches

NEW YORK — The U.S. bond market rallied sharply last week after a weaker-than-expected employment report for May raised hopes that the Federal Reserve Board would soon ease credit conditions.

The Treasury's bellwether 30-year bond, the 8⅜ percent issue of 2019, closed the week at 104 7/32 to yield 8.48 percent, up in price from 102 23/32 to yield 8.61 percent a week earlier.

Bond prices would have moved even higher except that the employment data sent the dollar plunging. The weaker currency raised fears that foreign financial institutions would pull back from the market.

The employment report showed that nonfarm payrolls expanded by only 101,000 last month, compared with 117,000 in April, and the lowest since 84,000 jobs were created in March 1986.

Many economists had expected an increase of at least 200,000 jobs for the month. Meanwhile, the government said the unemployment rate had dipped to 5.2 percent from 5.3 percent in April.

Economists said that the report confirmed earlier indications that U.S. economic growth was slowing significantly and that it would likely tip the balance of Fed policy toward easier credit.

"The May employment data will likely resolve the recently heated U.S. monetary policy debate in favor of the policy doves, clearing the way for a modest 25-basis-point reduction in the federal funds rate," analysts at Salomon Brothers said in their weekly "Comments on Credit." report.

But the analysts warned that a slight easing in Fed policy may not give the markets much of a further boost.

"A modest adjustment to the Fed's stance would be widely anticipated and, thus, likely to prove

U.S. CREDIT MARKETS

benign for both the bond market" and the dollar, the economists said.

Some analysts also warned that the markets may be expecting more of a credit easing than the Fed is likely to undertake.

"While the employment data support the view that the economy is slowing, the bond market's behavior today indicates it may be expecting more than the Fed will deliver," said Robert H. Chandross, chief economist at Lloyds Bank in New York.

Mr. Chandross also predicted that the Fed will move to cut the funds rate by a quarter-point this week

The federal funds rate, which banks charge each other for overnight loans, closed at 9 9/16 percent last week, down from 9 11/16 percent a week earlier.

While the relatively high funds made it costly for dealers to carry Treasury bills in their inventories, investors actively bought bills on Friday in the belief the Fed will soon cut short-term rates, the one area of the debt market that the central bank can directly control.

Three-month Treasury bill rates closed Friday at 8.35 percent, down from 8.51 percent a week earlier, while six-month rates closed at 8.12 percent, down from 8.42 percent the previous week.

Demand was even stronger for long-term Treasury debt as investors rushed to lock in yields in the belief they will drop further as the Fed moves to ease credit.

Among other key Treasury debt issues, the 9⅛ percent notes of 1999 soared to 104 21/32 to yield 8.42 percent from 103 5/32 to yield 8.64 percent a week earlier.

Shearson Lehman Hutton Inc.'s index of long-term Treasury bonds jumped 18.42 Friday to close the week at 1306.42.

Domestic investment-grade corporate issuance slowed this week, totaling $500 million and spreads to Treasuries remained unchanged, Salomon Brothers said.

Prices for outstanding high-grade issues rose about 1½ points for the week, or $15 dollars per $1,000 face value of securities.

In the municipal market, new issue general obligation yields were unchanged, while seasoned electric revenue issues rose ¼ point on the week. *(NYT, UPI)*

Bank of France Chief Calls For Tighter G-7 Policies

Reuters

PARIS — The Group of Seven industrial nations, worried by the sharp fluctuations in the U.S. dollar, should tighten coordination on exchange rates to bring greater stability to their currencies, Jacques de Larosière, the French central bank governor, said on Saturday.

Expanding on an idea proposed on Wednesday by President François Mitterrand, Mr. de Larosière said current Group of Seven currency coordination, based on the 1985 Plaza and 1987 Louvre Accords, should be extended.

The Group of Seven includes the United States, Japan, West Germany, Britain, France, Canada and Italy.

"Major industrialized states have begun the process of economic and exchange-rate policy coordination," he said. "It is essential that this process should continue and grow," Mr. de Larosière said in a speech to the Association of Foreign Exchange Dealers in Lisbon.

A former governor of the International Monetary Fund, Mr. de Larosière said a strengthening of the Washington-based agency's responsibility for surveillance of exchange rates may be one practical method of achieving managed currencies.

This "cannot fail to help the return to a greater formalization of exchange-rate rules," he said. "At the level of the international monetary system, this is the essential basis on which to succeed."

Analysts Scorn New Car Incentives

Reuters

DETROIT — U.S. automakers, which last week extended their broad incentive financing plans into the summer, may still be forced to reduce production schedules and adopt even more costly incentive programs to cope with weak sales, analysts said.

Many analysts added that they believed such incentive plans may now be doing the market more harm than good.

"If the market is low because of fundamental reasons, they keep hurting themselves by trying to stimulate the market," said John Kirnan, an auto analyst at Kidder, Peabody & Co.

Few analysts expect the latest programs to boost sales any higher than the anemic selling rates recorded in April and May. Sales could fall even further, since summer is traditionally not a peak car buying time due to vacations.

As a result, forecasters predict that by August the automakers may have to offer even more attractive incentives, coupled with production cuts, in order to prepare for the 1990 model year, when each will be launching major new products.

But Joseph Phillippi, an analyst at Shearson Lehman Hutton Inc., said the market may now be to a point where it can no longer be forced.

"I think we are reaching a level of saturation in the marketplace where the customer can't absorb any more product," he said.

If the extended programs do not have an impact, Mr. Phillippi said incentive plans may be enriched to include both cut-rate financing and rebates on the same cars.

The manufacturers may also have to offer their lowest financing rates on long-term loans, something they are reluctant to do because of uncertainty about the direction of interest rates.

With about 90 percent of the cars and trucks sold in the industry eligible for incentives, that means the Big Three automakers will spend $1.35 billion during the second quarter on incentives, based on expected sales of 1.5 million vehicles covered by the programs.

Analysts said that damage caused by the incentives will be worst for Chrysler Corp., because of its narrow profit margins. Chrysler has already advised analysts to lower their profit estimates for the current quarter because of incentive costs.

THRIFTS: *Snags in Bailout Plan*

(Continued from first finance page)

approved the bill. Then the pace slowed to a crawl, with several House committees insisting on jurisdiction and House Democrats opposed to the administration's proposal to keep the plan "off budget."

Now Congress is under growing pressure. The longer the process takes — Mr. Bush's 45 days have long passed — the more likely, the members fear, that the public will blame them for the ultimate cost, more than 75 percent of which will have to be shouldered by taxpayers.

Experts say that for every day of delay, the cost of the bailout increases by at least $20 million. Nearly 600 insolvent savings and loan associations are being kept open until regulators get the money to shut them. These institutions still have to pay interest on deposits but have vast portfolios of loans that are in default.

Representative Thomas S. Foley, Democrat of Washington, the majority leader who is likely to succeed Jim Wright as speaker, promised he would try to bring up the bill in the House this week. Optimists say passage is possible before July 4, but there are those who predict that the $157 billion plan will not be in place until August.

"I think the members are really feeling the pinch of the taxpayer," said Bert Ely, a financial consultant in Alexandria, Virginia. "They go back to their districts and what they find is a real anger over the cost of this bailout. And no one wants to be seen as responsible for adding to the ultimate taxpayer burden."

From January through March, losses at these insolvent institutions averaged as much as $12 million a day. Analysts said the losses increased to almost $20 million a day in April and May because of higher interest rates.

In one case, according to David W. Mullins Jr., assistant secretary of the Treasury for domestic finance, a large California thrift, the Lincoln Savings & Loan Association of Irvine, experienced such a run on deposits that it was able to stay afloat only with the aid of a quick infusion of emergency cash from the Federal Reserve Board and the Federal Home Loan Bank.

There are other costs from delay. M. Danny Wall, chairman of the Federal Home Loan Bank Board, said many insolvent institutions in Texas have had to increase their interest rates to keep depositors from withdrawing funds.

Democrats argue that if the plan is "on budget" and borrows its $50 billion from the Treasury instead of from the sale of bonds, as Mr. Bush has proposed in his "off budget" approach, the ultimate cost to the public would be several billion dollars less because of lower interest on Treasury borrowings.

The Senate approved its version of the bailout bill 71 days after Mr. Bush announced the plan. The House Banking Committee and subcommittee on financial institutions approved versions of the bill by May 2.

Then three other committees requested and received partial jurisdiction.

"The urgency has simply gone out of the House process," said Mr. Mullins. "And it runs the risk of having the bill unravel and creating real problems for us."

Treasury Bonds

June 2

Maturity	Close Bid	Close Ask	Yield	Wk.-ago yield
31.05.91	100 13/32	100 15/32	8.50	8.87
15.05.92	101 10/32	101 12/32	8.47	8.85
31.03.93	103 21/32	103 23/32	8.47	8.80
15.08.94	100 21/32	100 25/32	8.44	8.73
15.04.96	104 21/32	104 23/32	8.46	8.69
15.05.99	104 17/32	104 19/32	8.44	8.64
15.02.06	107 9/32	107 13/32	8.54	8.68
15.02.19	104 6/32	104 8/32	8.48	8.61

Source: Salomon Inc.

U.S. Consumer Rates

June 2

Tax Exempt Bonds	
Bond Buyer 20-Bond Index	7.15 %
Money Market Funds	
Donoghue's 7-Day Average	9.54 %
Bank Money Market Accounts	
Bank Rate Monitor Index	6.62 %
Home Mortgage, FHLB average	10.48 %

Source : New York Times.

Euromarts At a Glance

Eurobond Yields

	May 31	May 24
U.S. $, 8 yrs & over	9.51	9.62
U.S. $, 5 to 7 yrs	9.41	9.60
U.S. $, less than 5 yrs	9.44	9.80
Pounds sterling, less than 5 yrs	11.98	11.97
French francs, less than 5 yrs	8.88	8.79
Ital. lire, less than 5 yrs	11.52	11.47
Danish kroner, less than 5 yrs	9.99	9.75
ECU, 8 yrs & over	8.87	8.82
ECU, 5 to 7 yrs	8.86	8.79
Can. $, less than 5 yrs	11.18	11.13
Aus. $, less than 5 yrs	16.36	15.72
N.Z. $, less than 5 yrs	14.02	14.04
Yen, 5 to 7 yrs	5.34	5.31
Yen, less than 5 yrs	5.14	5.20

Source: Luxembourg Stock Exchange.

Weekly Sales

June 2

Primary Market

	Cedel $	Cedel Non$	Euroclear $	Euroclear Non$
Straights	89.60	643.20	1,110.50	1,165.20
Convert.	—	—	—	—
FRNs	30.00	144.60	38.80	156.70
ECP	2,122.70	163.90	7,318.50	918.10
Total	2,242.30	951.70	8,467.80	2,240.00

Secondary Market

	Cedel $	Cedel Non$	Euroclear $	Euroclear Non$
Straights	5,595.50	7,051.20	16,522.60	9,207.80
Convert.	286.40	417.70	877.50	456.30
FRNs	1,072.20	1,382.60	5,127.00	3,363.40
ECP	2,392.40	1,321.50	2,791.40	950.60
Total	9,266.50	10,173.00	25,318.80	13,978.10

Source: Euroclear, Cedel.

Libor Rates

June 2

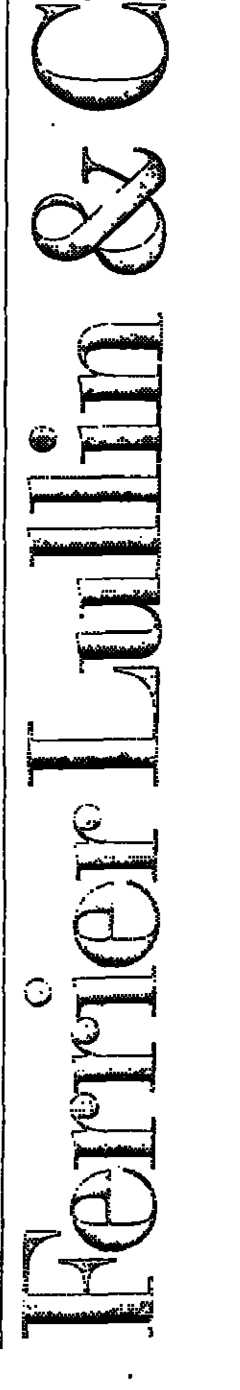
	1-month	3-month	6-month
U.S. $	9⅝	9 7/16	9 5/16
Deutsche mark	6⅝	6 15/16	7⅛
Pound sterling	13 13/16	14 1/16	14 1/16
French franc	8 11/16	8⅝	8 15/16
ECU	8⅞	9⅛	9 5/16
Yen	5⅛	5 3/16	5 3/16

Source: Morgan Guaranty, Lloyds Bank, Reuters.

RARE PHILANTHROPIC OPPORTUNITY

A naming gift opportunity exists for a concerned philanthropist to endow a disease treatment center for a major internationally renowned university medical complex in the U.S. The center, the world's first, is currently under construction and will be available to patients in early 1990. It is the most comprehensive high-technology health care project in progress. The center will shift the possibility and hope of those afflicted with one of the major diseases of manking. It will be an international treatment and training facility and the model for a new era in medical care and for future centers to be built worldwide. This high profile project has significant U.S. and international medical, scientific, and government support. This is an opportunity for an individual or family with vision, commitment and leadership to make a difference. Full particulars to appropriate party or representative.

Box D270, International Herald Tribune, 92521 Neuilly Cedex, France.



Ferrier Lullin & Cie SA

Bank established in 1795 · Geneva

Two centuries of private banking

By virtue of its activities in portfolio management and brokerage, naturally, our bank was affected last year by sluggish markets. Consequently, we have recorded slightly lower profits than last year's, which had been rather exceptional. We, nevertheless, have good reason to be very satisfied with our business operations. This is true, especially in view of our investment strategy, adopted since the market collapse, aimed at capitalizing on plunging prices to increase our investment in shares. This has enabled us this past year to completely offset the losses suffered in Autumn 1987.

At the end of 1988, the entire sum of clients' assets as well as funds under our management hit new highs. Clients' assets increased last year by 24.6%.

Key Data

In Sfr. m	1987	1988	% Change
Net Revenues	69,1	67,3	− 3
Cash Flow	22,7	21,4	− 6
Net Income	16,0	15,4	− 4
Dividends	6,0	6,0	−
Total Assets	478,0	350,0	−27
Stockholders equity	78,5	87,7	+12
Staff	249	254	+ 2

Geneva-Luxemburg-Bahamas
Grand Cayman-Hong Kong

15, rue Petitot Case postale CH-1211 Geneve 11 Tel 022/205222

EUROBONDS: *Prospects For Lower Rates Add Luster to Dollar Issues*

(Continued from first finance page)

to rebuild a firmer base on which to rise, "and that's what we'll see," Mr. Crane said. Unless something changes in the economic fundamentals — such as a renewed widening in the U.S. trade deficit — interest-rate changes will have no lasting impact on the direction of the dollar, he said.

"Short-term, yes," Mr. Crane said, "but long-term, you can't change the basic direction of a currency with interest rates. Long-term it works only if you have the right conditions fundamentally and technically." And as far as he is concerned, these conditions currently favor continued dollar appreciation once the current correction is completed.

Dealers noted that while the resolution last week of the political row in the North Atlantic alliance over short-range nuclear missiles in Germany helped improve sentiment toward the mark, but they warned that this could disappear if Chancellor Helmut Kohl's party suffers a big upset in the June 18 elections for the European Parliament.

Among last week's Eurobond issues — almost all of which were seen as carrying realistic pricing — the most interesting was Finland's $250 million offering, which is expected to be increased to around $500 million.

The seven-year bonds, offered at 100⅛ and bearing a coupon of 9 percent, were priced — less the 1⅞ percent underwriting fees — to yield 48 basis points more than comparably dated U.S. government bonds.

There are few European governments issuing dollar Eurobonds these days. They either do not need the money or can raise it more cheaply by swapping into dollars from other currencies. Thus, there is considerable investor demand for such dollar bonds, and Finland is using this opportunity to create a large, liquid benchmark issue.

In effect, Finland is raising only $150 million in new money. The remaining $100 million of the initial amount is a repackaging of some of its outstanding issues that have been repurchased for the purpose.

In fact, the repurchasing of the outstanding bonds trading at a discount began in the spring and terminated in April. The operation, which many borrowers undertake without ever publicizing the fact, caused hard feeling and led some investors to charge that Morgan Guaranty Trust Co. — which operated the repurchase program and is lead manager of the new issue — had behaved in an unethical fashion.

Morgan officials reject the accusations, noting that during the repurchase phase no decision had yet been taken by Finland on whether to go ahead with the new bond issue. In addition, Morgan said it ceased trading for its own account in the Finnish bonds at the start of the repurchase program.

The program began in a period when Eurodollar bonds were being shunned and the yield spreads were widening against those of U.S. government paper. But because of the repurchase program, the spreads on the Finnish paper were narrowing — leading some traders to erroneously conclude these were ideal targets for short selling. That strategy, on which traders lost money, has produced some hard feelings.

NASDAQ National Market

OTC Consolidated trading for week ended Friday. June 2

	Div	Yld	Sales in 100s	High	Low	Close	Net Ch'ge
A							
A&W Bd			3057	25½	24¾	25⅛	+ ⅛
ABS s	.32	3.9	519	8⅝	7½	8½	+ ⅝
ABQ			72	2¼	2	2⅛	+ ⅛
ACC Cp	.09e	2.2	515	4⅛	3⅞	4⅛	
ADC			2307	16¼	14⅜	14½	+1⅜
ADT			14811	29⅛	28⅛	29	— ⅛
AEL			275	8	7⅜	7½	— ⅜
AEP			126	16¾	16½	16¾	+ ¼
AIM Tel			1135	3⅞	3¼	3½	— ½
AIRCOA			63	5¼	3	3⅛	+ ¾
ALC h			5841	5⅞	4⅞	4⅞	+ ¼
AME			350	10⅞	10	10⅝	+ ½
ASK			7022	15⅞	15⅛	15½	+ ⅜
AST			14068	9⅞	7⅝	9⅜	+1⅜
AarnRt	.10	.9	17	11¾	11½	11¼	+ ¼
AbingB	.32	3.3	190	10	9⅝	9⅞	— ⅜
AbeLinc		.6	11	16¼	16	16¼	+ ¼
Abram s	.24	3.9	1	6⅛	6⅛	6⅛	+ ⅛

(Continued on next page)

WORLD STOCKS IN REVIEW / *Via Agence France-Presse*

Amsterdam

Stocks firmed last week as trading gathered momentum after West Germany left its interest rates unchanged, contrary to expectations.

The CBS all-share index finished the week at 190.8, up from 189.8 the previous week, while the CBS general-trend index closed at 183.2, up from 179 the previous week. Volume was 7 billion guilders, up from 6.5 billion guilders the previous week.

The Kempen & Co. brokerage house forecast firmer equity prices this week, boosted by the lower dollar and diminished fears of inflation.

Frankfurt

Stocks rose strongly last week, reaching their highest levels since the October 1987 collapse.

The rise was spurred by the Bundesbank's failure to raise interest rates and by good corporate earnings reports.

The DAX-30 trend index finished the week at 1,419.71 points, up 43.77 from the previous week. The Commerzbank index hit its highest this year, 1,760.8 points, up 52.4 points from the previous week.

Trading volume on West Germany's eight stock exchanges was 34.59 billion Deutsche marks, up from 21.11 billion DM the week before.

The automotive industry posted the strongest rises, with BMW gaining 42.50 DM, to 563.50 DM, Daimler Benz up 23, to 688, and Volkswagen up 15.30, to 397.30.

The construction sector put in the best performance, with Holzmann jumping 49, to 900. Tire makers also rose, with Continental leaping 23.50, to 287.50.

Among steelmakers, Hoesch climbed 10.50, to 263.50 marks, Mannesmann 9.40, to 246.50. Preussag finished the week 14.50 higher, at 284, while Siemens closed at 551, up 18.50.

London

Fears of a recession in Britain and an interest rate increase depressed prices last week, with the pound remaining under pressure despite higher bank lending rates.

The Financial Times 100-stock index fell 37.7 points, to 2,102.6, with many economists convinced that the 14 percent base rates would not be sufficient to support the pound.

Barclays de Zoette Wedd published a pessimistic report on the market. It said the Financial Times 100 index could fall to about 2,050 and might even go as low as 1,950.

Milan

Milan stock prices firmed last week in brisk trading. The MIB index advanced 1.47 percent, to 1,032 points, while the Comit index firmed 1.45 percent, to 612.19 points.

Exact trading volume was not available because of continuing computer problems.

The market welcomed Fiat's decision to buy back 1 trillion lire of its stock, sending Fiat ordinary shares 3.33 percent higher on the week. Fiat's advance carried along other shares of the Agnelli group, such as IFI, which rose 3.51 percent, and the Rinascente retail chain, which jumped 10.65 percent.

The market's increase was curbed by fears of a credit squeeze after the Bank of Italy governor, Carlo Azeglio Ciampi expressed concern about the public deficit, inflation and household consumption.

Paris

Stocks rose to a post-collapse high, with the SBF (formerly CAC) index up to 481.2 from 478.5 the previous week.

Interest among foreign investors helped keep the market firm despite caution early in the week over the possible Bundesbank rate increase.

The worsening of the French trade balance in April did not surprise the market, given the higher dollar and oil prices in the month. A 0.6 percent inflation figure announced for April also was expected.

Reports of increased French exports in the first quarter and economic growth at a 1.2 percent rate in the period, up from 0.6 percent in the last quarter of 1988, also boosted the market.

Singapore

Stocks rose, pushed by institutional buying. The Straits Times Industrial Index gained 35.63 points, to 1,305.21. The index had lost 40 points the previous week. The SES All-Share index rose 8.51 points, to 348.67.

Volume fell to 905.23 million units from 1.14 billion units the previous week. The value of stocks traded fell 13.8 percent, to 725.3 million Singapore dollars.

Dealers said the market has shaken off the damaging effects of the recent plunge on the Hong Kong bourse. They said that they expected strong institutional support to continue, with the post-collapse high of 1,310.02 points set on May 17 attainable on Monday.

Tokyo

The Nikkei index reached a record on Wednesday but ended with a 524.20-yen loss for the week, at 33,667.42 yen, mainly because of the weaker currency.

The 225-issue Nikkei topped an all-time mark of 34,266.75 yen on Wednesday largely on a late buying spree led by major brokerage houses centering on high-tech blue-chip issues.

But the indicator, which posted a 189.66-yen gain in the previous week, soon came under selling pressure.

The Tokyo Stock Price Index of all common stocks listed on the market's first section, which rose 13.01 points in the preceding week, lost 29.6 points, to finish the week at 2,501.56.

Average daily volume was 1.01 billion shares, compared with 698.7 million shares the week before.

The yen's tumble despite a long-anticipated increase in Japan's discount rate raised fears about another possible rise, dealers said.

Among the blue chips, TDK rose to 5,390 yen from 5,100 yen, while Sony jumped to 7,770 from 7,550.

Large-capital issues in general finished lower. Nippon Steel dipped to 875 yen from 902 yen, and Kawasaki Steel declined to 1,000 yen from 1,060 yen a week ago.

Mitsui Shipbuilding slipped to 914 yen from 950 yen and Hitachi Shipbuilding closed the week at 852 yen, down from 881 yen.

Zurich

Prices firmed last week mainly because of lower Euromarket and dollar rates.

The Crédit Suisse index closed at 572, up from 550.2 the previous week, and the Swiss Bank Corp. index advanced to 604.4 from 582.6.

The halt in the dollar's surge late in the week and the easier rates boosted the market, brokers said. They said the return of foreign investors, especially British and American, boded well for the market.

In foods, Hero gained 600 Swiss francs to 2,000 and Jacobs-Suchard bearer shares advanced 325 francs to 7,175.

Industrial stocks also performed well, with Sulzer up 275 francs, to 5,150 and Fischer up 80 francs.

Hong Kong Plunge Feared

Compiled by Our Staff From Dispatches

HONG KONG — Analysts predicted on Sunday that the bloodshed in Beijing would send the Hong Kong stock market plunging this week, but nobody was willing to forecast how far.

"The mentality of 'Today Beijing, tomorrow Hong Kong' is prevailing," said Barry Yates, research director of First Pacific Securities.

One broker said, "The mere threat of violence sent it wild; I don't want to predict the downside now. We could see 300, 400, 500 points, I don't know; there's no bottom," he said.

Real estate prices, under pressure from rising mortgage rates, are likewise expected to sink, with the retail market especially hard hit. "I expect an immediate 20 percent fall in retail property prices," said Robert Broadfoot, managing director of Risk Consultancy Ltd.

The Hang Seng index, Hong Kong's main stock indicator, has plunged 602.28 points, or 18.38 percent, since May 18, the last stable trading day before martial law was declared in Beijing on May 20. The index closed at 2,649.17 on Friday, a 3.26 percent fall for the week.

Seeing the army crush the movement toward democracy with tanks, bullets and bayonets brought fears about the future sharply into focus, brokers said. In 1997, China is to resume sovereignty over Hong Kong from Britain.

Many Hong Kong people fear Sunday's killings indicate hard-liners are determined to show they are in control, and they may be just as uncompromising towards China's economic difficulties as they have been to political challenge. *(Reuters, AFP)*

Dissidents Favored In Oak Industries Battle

Compiled by Our Staff From Dispatches

SAN DIEGO — A dissident shareholder group led by an outside director, Roderick M. Hills, is expected to win a bitter proxy battle at Oak Industries Inc. on Tuesday.

But Mr. Hills, brought on as director by the chairman he now is trying to oust, said he does not relish the prospect of victory over his friend, E.L. McNeely.

Mr. Hills has asked shareholders to reject Mr. McNeely's slate of five directors and instead vote for him and four other outsiders, including Elliott L. Richardson, the former U.S. Attorney General, at their annual meeting June 6.

Separately, MIM Ltd., the largest Oak Industries shareholder, said Friday that it filed suit to prevent the company from interfering with its right to vote its shares in favor of the dissident slate on Tuesday.

MIM, an affiliate of Brittania Arrow Holdings PLC of Britain, owns a 24.98 percent of Oak Industries. The lawsuit was filed after Oak, in a letter dated May 24, accused the company breaching an agreement that prohibits its participation in proxy solicitations.

Oak, an electronics company that makes components for the cable television industry, recorded an operating loss of nearly $44 million in the past three years, according to Mr. Hills.

"After years of losing money at a frightful rate, Oak has been selling off assets to pay expenses. Knowing that, I couldn't walk away from the shareholders, especially the ones I brought in," he said. *(UPI, Reuters)*

American Exchange Options

Figures as of close of trading Friday. June 2

Option & price		Calls Last Jun	Calls Jul	Puts Jun	Puts Jul
[illegible]					

Total volume 360,712
Open interest 1,817,586 r—Not traded. s—None offered. o—Old.

NASDAQ National Market

OTC Consolidated trading for week ended Friday.

(Continued)

	Sales in 100s	High	Low	Close	Net Ch'ge
[illegible]					

Chicago Exchange Options

Figures as of close of trading Friday. June 2

Option & price		Calls Last Jun	Calls Jul	Puts Jun	Puts Jul
[illegible]					

Total volume 505,619
Open interest 4,726,333 r—Not traded. s—None offered. o—Old.

ESCORTS & GUIDES

INTERNATIONAL ESCORT SERVICE
Head office in New York 330 W 56 St NYC 10019
212-765-7896
MAJOR CREDIT CARDS AND CHECKS ACCEPTED

MERCEDES
V.I.P ESCORT AGENCY
4 PM TILL MIDNIGHT - 7 DAYS
MAJOR CREDIT CARDS ACCEPTED
TEL LONDON (01) 235 0069

LONDON KENSINGTON ESCORT SERVICE
10A Kensington Church St, W8
TEL: 937 9136 or 937 9133
All major credit cards accepted.

LONDON
Portman Escort Agency
67 Chiltern Street London W1
Tel: 486 3724 or 486 1158
All major credit cards accepted

ARISTOCATS
London Escort Service
3 Shouldham Street, London W1
All major Credit Cards Accepted
Tel: 01-258 0090 (3 LINES)
12 noon - midnight

ZURICH 558720
Private Tourism Guide Service
Credit Cards Accepted

INTERNATIONAL CLASSIFIED

(Continued From Back Page)

ESCORTS & GUIDES

RITZ, NEW YORK
ESCORT SERVICE
212-779-9636

CAPRICE-NYC
ESCORT SERVICE IN NEW YORK
TEL: 212-737 3291

MAYFAIR CLUB
ESCORT SERVICE From 5pm
ROTTERDAM (0)10-4254155

NEW YORK
INTER FACES
ESCORT SERVICE
212-956-7900

NORDIC FAIR
ESCORTS
212-727-0558
NEW YORK

PRESTIGE
NEW YORK ESCORT SERVICE
(212) 688-2512

ELEGANCE
LONDON
FIRST CLASS ESCORT SERVICE
TEL: 01 625 5127.

OVERSEAS ESCORT CLUB
LONDON - PARIS Connection.
Tel: 01-289 5545

ESCORTS & GUIDES

MADRID TOP International
Escort Service. Tel: 341-270 50 73.
English and French spoken.

******* PENTHOUSE *******
High class Escort Service. 0211/491633
Düsseldorf/ Cologne & Area
Munich & Area

CHELSEA ESCORT SERVICE.
51 Beauchamp Place, London SW3.
Tel: 01-584 6513/2749 (4-12pm)

ZURICH SUSAN
ESCORT SERVICE. Tel: 01/312 37 53

* * Z U R I C H * *
Caroline Escort Service 01/252 6174

GENEVA * MELODIE
ESCORT SERVICE. Tel: 022/461158

G E N E V A * D E S I R E E *
ESCORT SERVICE. 022 / 21 99 61

**** GENEVA ***
Top Escort Service. Tel: 022/786 60.84

* * Z U R I C H * *
Top Escort Service. Tel: 01/41 76 09

NEW TOP LUXURIOUS ESCORT
French, Italian, German
EXCLUSIVE VIP SERVICE.
LONDON Latest 581-2069.

ESCORTS & GUIDES

LONDON TEL 01-495-1658
GLAMOUR ESCORT SERVICE

MADRID IMPACT ESCORT and Guide Service. Multilingual. Visa. Open 11am - midnight. Tel: 261 4142

TOKYO *** TOP ESCORT SERVICE Major credit cards accepted. Tel: (03) 436-4598.

DAWN TO DUSK
London's latest Escort Agency
Tel: 01-286-5570.

LONDON MODEL
Elegant Escort Service.
Telephone: 01-286 0918

* * R I K K I - S W E D I S H * *
HIGH CLASS ESCORT SERVICE.
TELEPHONE - 589 8015 LONDON

LONDON * CHANEL
New Escort Service
Tel: 01-229-9367.

PREMIERE ITALIAN Connection
London Escort Service.
Telephone: 01- 924 3767.

RITZ
ESCORT SERVICE
Tel:0836 750219. CENTRAL LONDON.

LONDON JAPANESE ESCORT
Tel: 370 5957 major credit cards.
GENEVA area available.

PLATINUM AND GOLD
ESCORTS
Tel 01 603 5727.

FRANKFURT * PRIVATE *
Sophisticated Escort Agency.
Call: 069/444 798

LEANA
PREMIERE ESCORT SERVICE IN LONDON.Tel: 01 328 3898.

BRUSSELS NEW ILONA'S ESCORT Service. Multilingual. Tel: 02-733 88 47. Credit cards accepted.

MUNICH - FLAVY
New Escort Service. Multilingual.
Tel: 089/69 25 688

****LONDON MARILYN****
LADY ESCORT SERVICE
Tel: 01-386 7671

ESCORTS & GUIDES

***** H A M B U R G *****
Escort Service ********************* Tel: 040/553 41 45.

-- ZURICH ? DIANA--
escort Service
Tel: 01-271 38 55

****MUNICH + 91 23 14****
ESCORT AND GUIDE AGENCY.
The Friendly Service.

**** LONDON PARIS LINK ****
Colette + Clair French Exclusive VIP Escort Service. London (01) 351-1152

********* TOKYO *********
First Class Escort / Guide Service. Tel: (03) 351-2278

AMSTERDAM JASMIN Escort Service. Tel: 020-333033. The best in town. Credit cards accepted.

AMSTERDAM 2000 Escort Service. All credit cards accepted. Telephone: (0) 20 - 911030

SHADOWS****
Escort Service. Telephone: Madrid 341-262-6536.

*** GENEVA DANY ESCORT *** and Guide Service. Tel: Geneva 022 / 735 68 23.

MILAN VIP Escort Service (2)461125

ORIENT JAPANESE CHINESE THAI Escort service. Days and evenings. Please telephone 603 7194 London.

F R A N K F U R T - "TOP TEN" ESCORT SERVICE. 069/ 55 88 26. THE BEST IN TOWN.

"DOMINA" Duesseldorf / Berlin / Cologne /Bonn/Essen. All areas Escort Service 0211/37 11 61

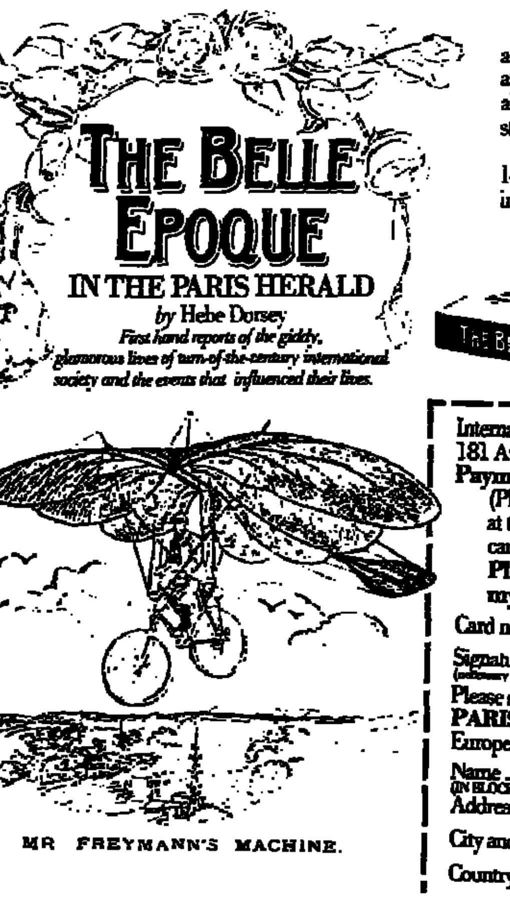
BRUSSELS. CATHY
High Class Escort Service. Tel: (02) 734-1586. Accept American Express

AMSTERDAM BERNADETTE ESCORT Service. Number One. Telephone: (0) 20-327799 or (0) 20-362833.

*** FRANKFURT ***
Princess Escort Agency 7 days.
Tel: 069 / 666 25 64.

MUNICH **** SECRETS ****
****** 311 11 06 ****** 448 60 38
Escort & Guide Services **********

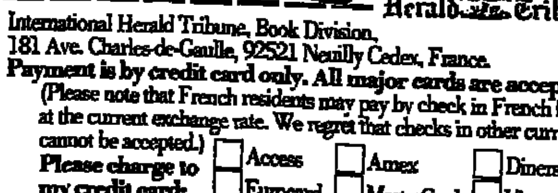
* GENEVA * BEST SELECTION *
***** VIP ESCORT SERVICE *****
TEL: 46.11.58.



MR FREYMANN'S MACHINE.

Long-time Trib fashion editor, Hebe Dorsey went into the archives of the old Paris Herald (original name of today's Trib) and collected the great news stories of the turn of the century — along with glorious, gossipy tid-bits, records of fabulous galas, stunning fashions, gentlemen's duels and "crazy inventions."

With hundreds of excerpts of articles, delightful vignettes and 147 illustrations, this book is a vivid evocation of a period no one imagined would ever end. A great gift idea.



Hardcover, 224 pages. 29 x 24.5 cm. (11½ x 9½ in.) 147 illustrations, 16 in color.

Herald Tribune

International Herald Tribune, Book Division,
181 Ave. Charles-de-Gaulle, 92521 Neuilly Cedex, France.
Payment is by credit card only. All major cards are accepted.
(Please note that French residents may pay by check in French francs, at the current exchange rate. We regret that checks in other currencies cannot be accepted.)

Please charge to my credit card: ☐ Access ☐ Amex ☐ Diners ☐ Eurocard ☐ MasterCard ☐ Visa

Card no. ________ Exp. date ________

Signature ________
(necessary for credit card purchases)

Please send me ______ copies of **THE BELLE EPOQUE** *in* **THE PARIS HERALD** at U.S. $40.00 each, plus postage: $5.00 each in Europe; $14.00 each outside Europe.

Name ________
(IN BLOCK LETTERS)
Address ________
City and Code ________
Country ________ 5-6-89

MONDAY SPORTS

For Pistons, Reaching Final Is Not Enough This Season

By Clifton Brown
New York Times Service

AUBURN HILLS, Michigan — When the Detroit Pistons won the Eastern Conference championship Friday night in Chicago, they celebrated in a subdued manner. There was no champagne. There were few embraces.

Whatever satisfaction they felt was tempered because their ultimate goal was not yet accomplished. For the Pistons, winning the National Basketball Association championship is the only accomplishment that will make this season special.

"Just getting to the finals isn't enough for us this time," said Joe Dumars, the versatile Detroit guard. "We've done that already. We're not even that excited yet.

"Last year when we got to the finals, we were so excited, basketball was almost secondary. We were walking around with smiles on our faces saying, 'Hey, we're in the finals.'

"This year, we're more prepared. We don't want to be runner-up again. I say, let's win four games and be the champions."

The Pistons and the Los Angeles Lakers will open the best-of-seven-game championship series Tuesday night at the Palace in Auburn Hills. It is a rematch of last year's title series, which the Lakers won, four games to three, to capture their second consecutive championship.

Detroit, by virtue of finishing the regular season with the league's best record (63-19), will have the home-court advantage. But the Lakers have won all 11 of their playoff games and appear to have more momentum.

Los Angeles can become the first NBA team to win three consecutive championships since the Boston Celtics of 1964-66.

On paper, it is hard to choose a favorite.

"I understand the Lakers as a basketball team, but more importantly, I understand the Lakers as people," said Isiah Thomas, the Pistons' point guard and team leader, who scored a game-high 34 points Friday night in Chicago as the Pistons defeated the Bulls, 103-94, eliminating them in six games.

"What beats you in the playoffs is individual people digging deep inside themselves and deciding that they're going to win the basketball game," Thomas added. "That's the kind of character the Lakers have. That's the kind of character we have."

NBA PLAYOFFS

'We don't want to be runner-up again. I say, let's win four games and be the champions.'
Joe Dumars, Detroit guard.

Certainly, the Pistons' character has been tested. In February, Detroit made the most talked-about trade of the season, sending Adrian Dantley and a draft choice to Dallas in exchange for Mark Aguirre.

Dantley was extremely popular in Detroit, and Aguirre came to the Pistons with a reputation as being talented but moody.

Some thought the trade would ruin the chemistry in Detroit's locker room. Instead, the Pistons hit their stride after the trade and overtook Cleveland to win the Central Division.

In the series with Chicago, the heavily favored Pistons trailed by two games to one, but responded by winning the last three games.

And the victory Friday was particularly impressive.

The Bulls jumped to a 26-14 lead, and the noise in sold-out Chicago Stadium, perhaps the league's noisiest arena, shook the building. But the Pistons calmly came back and eventually took control.

"I have a lot of confidence in this team, because we were down 2-1, we lost the home-court advantage in the first game, but we didn't panic," said Vinnie Johnson, another Detroit guard. "We didn't start pointing fingers at each other. We just concentrated on what we had to do, then we went out and did it."

It will take that same determination for the Pistons to beat the Lakers.

Defense will be a major factor. The Pistons have held their opponents to fewer than 100 points in all 13 of their playoff games. Can they *do that to the Lakers*?

"It's a nice fact, but I'd just as soon win, 112-111," said Chuck Daly, Detroit's coach. "I'll be just as happy to get the win no matter how we do it."

■ **Pistons 103, Bulls 94**

Thomas scored 17 of his 33 points in the fourth quarter as the Pistons won the Eastern Conference finals Friday night, and along with Thomas, depth and defense did it for the Pistons, The Associated Press reported from Chicago.

Michael Jordan, held to 23 and 18 points in the previous two games after his brilliant performance in Game 3, when he scored 46 points, had 32 Friday night, but the Bulls could not recover from losing the starting forward Scottie Pippen in the first minute of the game. Pippen was hospitalized after he was hit in the head by Bill Laimbeer's elbow as they both jumped for a rebound.

Thomas was the scoring star for the Pistons, while six of his teammates scored from eight to 12 points. Dennis Rodman had 15 rebounds and Bill Laimbeer 10.

Doug Collins, the Bulls coach, said that Pippen's injury was not an accident.

"It was a tough way to go with Scottie getting another cheap shot from Laimbeer and Scottie ends up in the hospital," Collins said. "We lost the battle of attrition."

Chicago trailed 79-69 in the first minute of the fourth quarter before rallying with a 10-2 spurt.

Jordan started the run with two baskets in five seconds. After a jumper by Thomas, John Paxson hit a three-pointer, a free throw and a long jumper, cutting the deficit to 81-79.

Thomas then scored 10 points in four minutes as the Pistons rebuilt their margin to 94-84 with 4:40 remaining.

Chicago found inspiration after Pippen was knocked out, as his replacement, Brad Sellers, scored eight points and Jordan 12 during a 26-12 spurt that gave the Bulls a 26-14 lead with 2:36 left in the first period. Sellers went into the game averaging only 3.2 points during the playoffs.

Mark Elias/The Associated Press

Mark Aguirre of the Pistons, right, hugs teammate Isiah Thomas, who scored a game-high 34 points, after defeating the Bulls.

Sabatini and Agassi Fall; Becker and Mancini Win

By Nick Stout
International Herald Tribune

PARIS — Jim Courier, an 18-year-old Floridian in his first French Open, predicted with conviction last week that his third-round match with Andre Agassi would be exciting.

He fulfilled his prophesy Sunday by upsetting the No. 5 seed from Las Vegas, 7-6, 4-6, 6-3, 6-2, in a match that was begun Saturday and suspended at dusk.

FRENCH OPEN

"I went out there with the eye of a tiger," said Courier, who knows Agassi well from the Nick Bolletieri tennis academy. "I wasn't going to be intimidated by the crowd. I've been through that with Andre before."

Courier was not the only Floridian to deal a surprise. Mary Joe Fernandez, seeded No. 15, overpowered Gabriela Sabatini, 6-4, 6-4, to reach the quarterfinals.

Adding to the excitement on a cool and windy afternoon, Boris Becker barely survived a tense match with Guillermo Perez-Roldan of Argentina. He was down, 4-1, in the fifth set and saved a match point at 5-4 before overcoming the No. 16 seed, 3-6, 6-4, 6-2, 4-6, 7-5.

And Alberto Mancini, the 20-year-old Argentine who muscled his way to victory in Monte Carlo and Rome, upset Jakob Hlasek, the No. 6 seed, 6-4, 6-4, 4-6, 2-6, 6-4. Mancini, seeded No. 11, will play a quarterfinal match against Stefan Edberg, the No. 2 seed, who beat Goran Ivanisevic of Yugoslavia.

(See Scoreboard)

Becker's triumph set up a quarterfinal match with Jay Berger, who beat Thierry Tulasne of France, 3-6, 6-2, 6-0, 6-3.

"For me to make it to the second week, or even to Friday or Saturday, is a good accomplishment," said Berger, 22.

AFP

Jim Courier: Agassi's rival.

Part of the new crop of American clay-court players, Berger had been ahead in the first set, 3-0, but he fell apart when two line calls went against him. He was so upset that he asked to talk to the tournament supervisor.

"I knew that it was ridiculous to lose a match because of a couple of bad calls," he said, "but the situation really upset me. I felt I was getting blatantly cheated."

Courier and Agassi, 19, had played two previous matches this year, first in Philadelphia and later at the Tournament of Champions in New York. Courier lost both times in the round of 16

"The first time I cramped on nerves," he said. "But the second time the nerves were gone."

But it was at Forest Hills where he learned to cope with his opponent's tendency to electrify a crowd.

"I walked on the court and there was this polite applause," Courier recalled. "And then Andre walked on and it was incredible, like 'Andre, we love you.'"

As for the match here, Courier said he had a "real good feeling" going into it.

"I think I was in better shape than Andre," he said. "I was disappointed we couldn't finish it last night because I think I had him exhausted out there. I had a lot of momentum going."

Courier, ranked 47th, had been ahead, 4-2, in the third set when play was suspended.

On Sunday, after Courier sent a forehand sailing diagonally from one corner of the court to the other to win the match, Agassi hopped over the net to congratulate his compatriot.

Asked what he would do next, Agassi said, "I'll take the first flight I can get to go back home and relax a while."

Courier now faces Andrei Chesnokov of the Soviet Union in the fourth round.

Sabatini, the world's third-ranked player, is normally at her best on clay, but Fernandez, 17, has had success against the 19-year-old Argentine on other surfaces and now holds a 5-3 career edge over her. The fact that Fernandez had beaten Sabatini four times before was instrumental in the result Sunday.

"I've played her so many times and lost," Sabatini said, "that today I was too nervous to play the match."

Fernandez agreed, saying, "When you start to lose against someone, you can think like that." But she added, "It works both ways. When I play her I know I can win."

Fernandez will meet Helen Kelesi of Canada in the quarterfinals. The rest of the women's quarterfinal lineup shapes up like this: Steffi Graf vs. Conchita Martinez of Spain, Monica Seles of Yugoslavia vs. Manuela Maleeva of Bulgaria and Arantxa Sanchez of Spain vs. Jana Novotna of Czechoslovakia.

U.S.-Soviet Drug Tests Might Start This Fall

Los Angeles Times Service

DES MOINES, Iowa — In a continuing effort to disarm users of anabolic steroids and other performance-enhancing substances in sports, the U.S. Olympic Committee's executive board has conditionally approved a bilateral drug-testing agreement between the United States and the Soviet Union.

The vote was taken Saturday by the board's 86 members. Six amendments, primarily procedural, were added to the initial agreement, which was signed last February during a meeting between representatives of the U.S. and Soviet Olympic committees.

Baaron Pittenger, USOC executive director and chairman of the delegation that negotiated with the Soviets, said he did not expect the Soviets to object to the amendments.

As designed, the program will allow U.S. officials to select specific Soviet athletes for testing during training with only 48 hours notice and vice versa. A U.S. doctor will be stationed at Moscow and a Soviet doctor at Los Angeles to supervise the testing process and verify the results.

Pittenger said the U.S. and Soviet delegations would meet again on Oct. 13 in Moscow to discuss the amendments.

He also said plans to begin testing athletes in August or September might proceed on schedule despite the absence of a formal agreement.

Two of the sports in which drug use is believed to be high, track and field and cycling, already have adopted random, short-notice, out-of-competition testing. But officials from those sports will have to submit this plan to their constituencies, because it is not random, allowing Soviet officials to select specific U.S. athletes for testing.

Ollan Cassell, executive director of The Athletics Congress, which governs U.S. track and field, said he would recommend to his executive committee that it vote to join the USOC-Soviet plan.

Yugoslav Shakes Up Women's Tennis Where Evert Left Off

AFP

Monica Seles: two-fisted.

By Nick Stout
International Herald Tribune

PARIS — Remember when little Chrissie Evert shook up conventional tennis in the early 1970s with her then-unconventional two-fisted backhand? Well, the grown-up Chris Evert bypassed the French Open this year in part because she could not cope with the latest innovation: the two-fisted forehand, as presented by 15-year-old Monica Seles from Yugoslavia.

Seles, a left-hander who cannot seem to get a sentence out without a giggle, has been drawing a lot of attention since she beat Evert, 34, in April in the final of a tournament in Houston.

On Sunday, less than 24 hours after upsetting Zina Garrison of the United States, the No. 4 seed, Seles made it through to the quarterfinals of the French Open with a 6-3, 6-2 triumph over Jo-Anne Faull of Australia. If she can intimidate the sixth-seeded Mannela Maleeva in the next round, Seles will be face-to-face with Steffi Graf, the No. 1 seed, in the semifinals, assuming Graf gets that far.

Seles won the European and world junior titles at the age of 10, and was named the Yugoslav sportswoman of the year in 1985 at age 12.

"Before me, the youngest was 18," she boasted.

In 1985, she won the Orange Bowl junior tournament in Florida and caught the eye of Nick Bolletieri, the tennis tutor whose academy in Florida has produced more than a few notables, including Andre Agassi.

"He invited me to spend a couple of months at the academy, but because of personal reasons I had to return to Yugoslavia," she said. "But Nick invited me back in 1986 and I have been there ever since."

The Bolletieri high school is sometimes criticized for its strictness, but Seles has only praise for the method that has brought her this far.

"I think it is very good discipline at our age," she said. "We don't get involved in drugs or alcohol. We go to school, then to practice, and then we have our recreation time to do as we please. We learn better to deal with our responsibilities as tennis players. It's not like a military academy. I love it there and I think all the other kids love it as well."

Seles played in three professional events last year and reached the semifinals in one. The French Open is only her third tournament this year, but her short record is impressive. She defeated Maleeva to reach the semifinals at a tournament in Washington but then had to default to Garrison because of a sprained ankle. Two months later, she beat Evert to win in Houston.

"When I played Chris in 1988 in Florida it was my first professional tournament," she said. "It was the first time I saw all these women on the professional circuit. Since then, I have watched Chris play and I have seen her down 2-5, yet she manages to come back. I had to find a way to play her. The second time I played her I was not as scared as the first time."

Rather, it is Evert who has now become scared.

"When I start losing to players who three years ago wouldn't have won five games, the writing is on the wall," Evert said recently.

Although she is not the youngest player to appear in a Grand Slam tournament — Graf played the French Open as a professional at 13 and Tracy Austin played at Wimbledon when she was 14 — Seles may be the strongest for her age. A grunting ground-stroker with blazing passing shots, Seles has power that is not congruent with her 5-foot-8 (1.72-meter), 106-pound (48-kilogram) frame.

"My dad has always helped me with that aspect of my game," she said of her strength. "But I'm not really sure myself how I have become so powerful in my shots."

Garrison called Seles "a typical baseline player."

"She is good; she is young; she is hungry," Garrison said. "But a person has to go around a year to let everyone figure out her game. Then you can start talking about how good she is."

As for the future, Seles said she wanted to add a serve-and-volley game to her repertoire, possibly in anticipation of trying her skills one day on grass. But there is time for that.

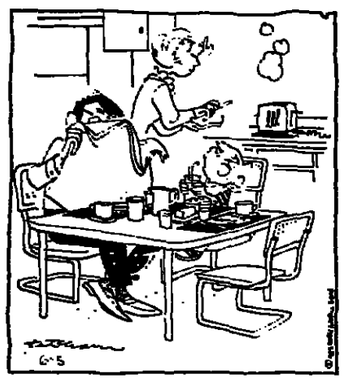
Aware of the burn-out syndrome that affects many promising young players, Seles is choosing her tournaments carefully.

"That's why I played so little last year and why I'm still not playing full-time this year," she said. "I originally planned to come to Europe this spring but I was so exhausted after Houston, physically as well as mentally, that I decided not to come. I just go by how I am feeling."

She plans to enter about 10 events this year, and she stressed that it is she who decides where and when to play.

"My parents have never pressured me into anything," she said, "into playing in general or even into playing this tournament. It is always my decision, although I do always talk to them beforehand."

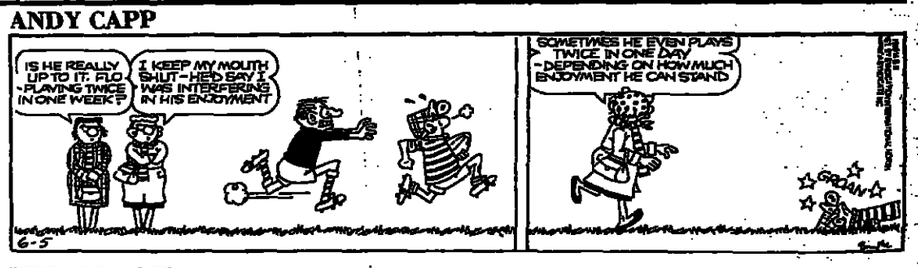
DENNIS THE MENACE



"I'LL BET YOU'RE GLAD I DON'T KNOW HOW TO READ SO WE CAN TALK TO EACH OTHER."

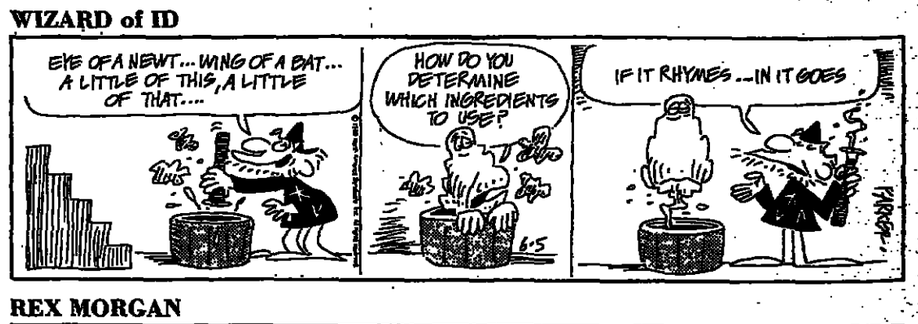
PEANUTS

ANDY CAPP



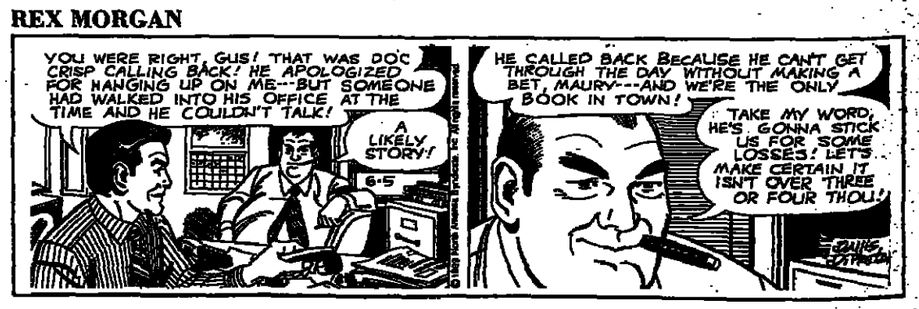
BLONDIE

WIZARD of ID



BEETLE BAILEY

REX MORGAN



JUMBLE® THAT SCRAMBLED WORD GAME by Henri Arnold and Bob Lee

Unscramble these four Jumbles, one letter to each square, to form four ordinary words.

DELAL
ORXYP
UNBRAU
CYTHAC

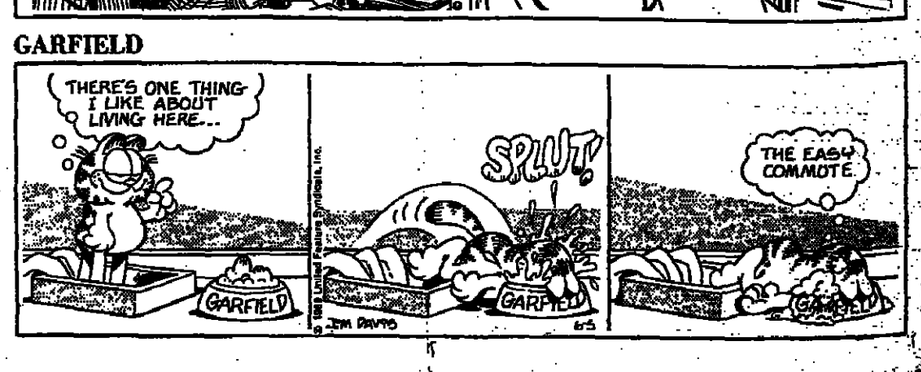
Now arrange the circled letters to form the surprise answer, as suggested by the above cartoon.

Answer here: _____ IT ON _____ (Answers tomorrow)

Saturday's Jumbles: ELEGY HOBBY UPSHOT GUIDED
Answer: What the ant did when he saw the anteater — BUGGED OUT

DOONESBURY

GARFIELD



The Global Newspaper.

MONDAY SPORTS

Mets Edge Pirates on Pinch Hit

The Associated Press

Pinch-hitter Mark Carreon led off the seventh inning with a tie-breaking home run and the New York Mets beat the Pittsburgh Pirates, 4-3, Sunday in New York for their fourth straight victory.

Carreon connected against reliever Bob Kipper for his second home run this season, both as a

SUNDAY BASEBALL

pinch hitter. Carreon, now 3-for-16 this season, became the first Mets player with two pinch homers in a year since Lee Mazzilli and Dave Magadan did it in 1987.

Pittsburgh lost its fourth straight.

Don Aase pitched two scoreless innings for his first National League victory.

Expos 7, Phillies 4: In Philadelphia, Otis Nixon drove in three runs and Mike Fitzgerald added two run-scoring doubles as Montreal swept the three-game series and sent the Phillies to their 11th straight loss.

The victory enabled Montreal to complete its most successful road trip ever with a 9-3 record.

Reds 5, Padres 3: In Cincinnati, first baseman Jack Clark's wild throw home with the bases loaded let the Reds score two runs to break a sixth-inning tie, leading to their victory over San Diego.

The Reds rallied for four runs in the sixth against Bruce Hurst, aided by Clark's two-run throwing error, to complete their first three-game sweep of the Padres at Riverfront Stadium since April 28-30, 1981.

Braves 6, Giants 3: In Atlanta, Darrell Evans's three-run homer highlighted a four-run fifth and Dale Murphy had three RBIs to help rookie Derek Lilliquist and three Atlanta relievers defeat San Francisco.

Evans's homer, the 407th of his career, moved the 42-year-old infielder into a tie with Duke Snider for 21st place on baseball's all-time home run list.

Lilliquist retired the first 11 batters he faced. He allowed five hits over six innings, struck out one and walked no one.

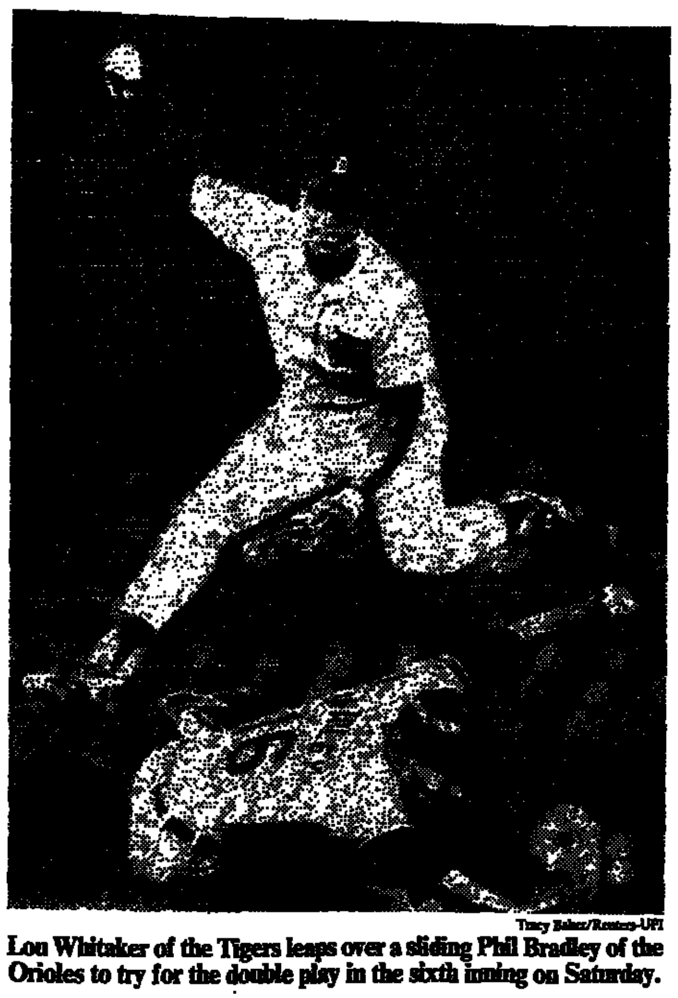
White Sox 2, Twins 1: In the American League, in Chicago, Jerry Reuss allowed three hits in six innings in his first start since May 1 and Harold Baines homered as Chicago edged Minnesota.

The White Sox, who broke an 11-game home losing streak Saturday night, won two in a row for the first time since May 13-14 against Baltimore.

Orioles 7, Tigers 4: In Detroit, Randy Milligan hit a three-run homer and Phil Bradley added a two-run shot as Baltimore completed a four-game sweep.

The Orioles, first in the AL East, have won seven straight and 12 of their last 13 games.

Baltimore has not led their division this late in the season since it won the pennant in 1983. The Orioles also have the first selection in Monday's free-agent draft, making them the only first-place team since the draft's inception in 1965 to have that honor.



Tracy Baker/Reuters-UPI

Lou Whitaker of the Tigers leaps over a sliding Phil Bradley of the Orioles to try for the double play in the sixth inning on Saturday.

A 22-Inning Night

After 7 Hours, Astros Nip Dodgers, 5-4, in Record-Breaking NL Game

The Associated Press

HOUSTON — It took the streaking Houston Astros seven hours and 14 minutes and 22 innings on Saturday to finally beat the Los Angeles Dodgers, 5-4, on a single to right field by Rafael Ramirez in the longest night game in National League history.

The previous record for an NL night game was 7:04, on Sept. 11, 1974, when St. Louis beat the Mets, 4-3, in 25 innings in New York.

"Whatever happened to curfew?" joked Art Howe, the Houston manager. "But I'm glad we finished it now. I know it's a difficult loss for those guys in the other locker."

Bill Doran singled to start the final inning off Jeff Hamilton, the Los Angeles third baseman, who pitched the final two innings.

Doran went to second on Glenn Davis's grounder and when Ramirez singled to Mike Davis in right field, Doran scored from second base, beating the throw as the Astros won their ninth straight.

"We'd been thrown out at the plate two other times and I was saying to myself, 'Please don't do it again,'" Howe said.

Jim Clancy, Houston's seventh pitcher, threw the final five innings.

Houston had the winning run on third base five times before scoring it. The Dodgers had the winning run on third base three times.

The teams combined to use 16 pitchers — nine by the Dodgers and seven by the Astros.

After the 21st inning, Fernando Valenzuela played first base for the Dodgers and Hamilton took the mound with Eddie Murray moving from first base to third. It was Hamilton's first major-league pitching appearance.

"I was mad and stunned," Hamilton said. "But it was still fun. I'm mad but I still can't believe I was out there. I've always wanted to pitch."

Orel Hershiser, a regular Los Angeles starter, threw seven innings of relief.

Houston's longest game ever was a 24-inning, 1-0 victory over the Mets on April 15, 1968. On Aug. 17, 1982, the Dodgers played 21 innings in Chicago and beat the Cubs, 2-1, in 6:10.

The longest major-league game ever was a 1-1, 26-inning tie between Brooklyn and Boston on May 1, 1920, in Boston.

In a 1984 game started on May 8 and finished on May 9, the Milwaukee Brewers and the Chicago White Sox played 25 innings in 8:06, the longest game in major-league history by time. The White Sox won, 7-6.

Phoenix Grand Prix: Cool-Headed Strategy

Reuters

PHOENIX, Arizona — With temperatures expected to soar, drivers were using special equipment to ensure that cooler heads prevailed in the U.S. Grand Prix Formula One race here Sunday.

"What we have for the pilot is in fact a refrigerated skull cap," said Chris Murphy, a designer for the Lola team who is responsible for keeping drivers and their cars cool on Sunday, when temperatures were expected to reach 100 degrees Fahrenheit (38 centigrade).

Many of the teams were expected to use the caps, which fit into the lining of the helmets. It was hoped that if the head is cool, overall body temperature will be kept at a safe level.

The caps that the Lola drivers wear use a battery-powered pump to circulate coolant fluid from a small reservoir around their heads through a series of small tubes.

The caps work under the same principle as a refrigerator or air conditioner, said Murphy, whose drivers will be using them for the first time.

"We don't experience this type of ambient temperature anywhere else in the world," Murphy said. "It's without doubt our worst conditions."

The threat of dehydration is also a problem. The Lola drivers have a bottle of water with a long straw leading to their mouths so that they can drink without removing a hand from the steering wheel.

■ Senna Captures His 34th Pole Position

Ayrton Senna easily held on Saturday to win the record 34th pole position of his Formula One career, taking the top qualifying spot for the first Grand Prix in Phoenix, The Associated Press reported.

The Brazilian, who had won three straight races before Sunday, captured his eighth consecutive pole position despite failing to better his time on Friday's lap of 1 minute, 30.108 seconds, averaging 94.287 mph (152.574 kph).

His best time on Saturday came late in the 60-minute qualifying session when he raced his McLaren-Honda around the 2.36-mile, 12-turn circuit in 1:30.710.

Senna broke out of a tie with the late Jim Clark for career poles when teammate Alain Prost of France, again Senna's closest competitor, failed to overtake him.

The Phoenix race is the only Formula One event in the United States this year, replacing the Detroit Grand Prix.

Blake Sell/Reuters-UPI

Alain Prost of France yawns during a break in practice runs.

Another Masters For Faldo

Compiled by Our Staff From Dispatches

WOBURN, England — Nick Faldo raced away from fellow Briton Ronan Rafferty on the back nine to add the British Masters golf championship to his fast-growing list of titles on Sunday.

The U.S. Masters champion's six-under-par final round of 66 earned him his second victory in less than a week and took him above Greg Norman of Australia to second place in the world rankings behind Seve Ballesteros of Spain, who did not play here.

Faldo's triumph came on the heels of his victory in the British PGA championship last Monday and followed his victories in last October's Volvo Masters, the final event of the European season, and the U.S. Masters.

He will take the next week off for fine tuning under the eye of his U.S.-based coach, David Leadbetter, before his challenge for the second leg of the Grand Slam, the U.S. Open, at Oak Hill in Rochester, New York, from June 15 to 18.

"After last week I felt I could continue playing well," said Faldo. "My luck has held and I putted very well.

"If I can stay in this frame of mind for the U.S. Open — and keep putting like this — I should be in good shape."

Faldo's closing round, after earlier scores of 71-65-65, gave him a 72-hole total of 267, 21 under par, a record by six shots for this event. *(See Scoreboard)*

His winnings of £50,000 ($80,000) boosted his haul from his only two European appearances so far this year to £108,330 ($173,328).

Rafferty, who achieved his first European victory two weeks ago at the Italian Open, battled for a closing 69 and was only one shot behind with four holes to play.

But two successive bogeys and a Faldo birdie at the 17th ended his challenge. Both birdied the final hole to leave Faldo four strokes clear.

Rafferty's check for £33,300 ($53,280) boosted his earnings to £124,863 ($199,780) and sent him to the top of the European money list. It almost certainly ensured him a place on the European Ryder Cup team to face the Americans in September.

Rafferty, who is from Northern Ireland, said Faldo was second to none. "I have played with Sandy (Lyle), Bernhard (Langer) and Seve (Ballesteros) in the last two weeks and Nick is comfortably the best in the world at the moment," Rafferty said. *(Reuters, AP)*

Ryan, Fanning 11, Hurls One-Hitter To Lead Rangers Past Mariners, 6-1

The Associated Press

Nolan Ryan pitched his 11th career one-hitter and struck out 11 as the Texas Rangers beat the Seattle Mariners, 6-1, on Saturday night in Seattle.

The only hit off Ryan was Harold Reynolds's leadoff single to right field in the first inning. Ryan

SATURDAY BASEBALL

also pitched a one-hitter on April 23 in Toronto, giving up a triple by Nelson Liriano with one out in the ninth. He also has participated in two combined one-hitters in his 22-year career.

Ryan walked two en route to his third complete game of the season while improving his lifetime record against the Mariners to 7-3. He retired the last 22 batters.

Ruben Sierra hit his seventh homer for the Rangers.

Ryan, 42, who has pitched a record five no-hitters, increased his major-league-leading strikeout total this season to 100 and now has 4,875 in his career.

This season is the 21st that Ryan has struck out 100 or more batters, tying him with Don Sutton for the major-league record. Ryan has struck out 10 or more batters in 188 games during his career, also a major-league record.

Angels 4, Royals 3: Brian Downing hit a home run in the sixth inning to snap a tie, and Kirk McCaskill won his seventh game as California beat Kansas City in Anaheim, California.

Orioles 4, Tigers 2: Jim Traber singled home the tie-breaking run in the eighth inning in Detroit, as Baltimore won its sixth straight.

Twins 5, White Sox 4; White Sox 2, Twins 1: In Chicago, Carlton Fisk's sacrifice fly snapped an eighth-inning tie and Chicago ended an 11-game losing streak at home in the second game of a doubleheader with Minnesota.

In the first game, Frank Viola allowed six hits in eight innings and Minnesota's Randy Bush homered for the game-winning run.

Athletics 7, Indians 0: Bob Welch pitched eight strong innings to beat Cleveland in Oakland, California.

Oakland finished with 14 hits and Cleveland had eight; every hit was a single.

Blue Jays 10, Red Sox 2: In Boston, Junior Felix drove in four runs and, with Nelson Liriano, fueled a four-run fourth inning that ignited Toronto to its 11th straight victory at Fenway Park.

Felix and Liriano each had two-run, two-out singles in the fourth for a 5-2 lead. They had three hits apiece and Liriano had three RBIs.

Brewers 2, Yankees 0: Bill Krueger and two relievers combined on a five-hitter that shut out New York in Milwaukee.

Braves 4, Giants 0: In the National League, in Atlanta, Kevin Mitchell hit his 18th home run of the season, a two-run shot that led San Francisco past Atlanta for its seventh victory in eight games.

Mitchell homered for the fourth time in three games and raised his RBI total to 53. He leads the majors in homers and RBIs.

Cardinals 6, Cubs 5: In St. Louis, Missouri, pinch hitter Tom Pagnozzi's bases-loaded sacrifice fly in the 10th inning sent St. Louis over Chicago, ending the Cardinals' five-game losing streak.

The Cubs tied it, 5-5, on Mitch Webster's solo home run with two outs in the ninth inning.

Mets 9, Pirates 3: In New York, Howard Johnson hit a home run and drove in three runs and Darryl Strawberry hit his 12th homer as New York beat Pittsburgh for its third straight victory.

Expos 7, Phillies 5: In Philadelphia, Andres Galarraga hit a two-run homer as Montreal sent the Phillies to their 10th straight loss.

Reds 6, Padres 2: Eric Davis hit a three-run homer for the second straight game, powering Cincinnati over San Diego in a rain-delayed game in Cincinnati.

Toronto Rookie Hits Grand Slam Inside Fenway

The Associated Press

BOSTON — With the bases loaded and two out in the ninth, Toronto rookie Junior Felix knew that he had hit a ball "a long way."

"I had to look at the coach and when I saw him, I knew I should keep running," Felix said.

He kept running, almost on the backs of his teammates, and the result was an inside-the-park grand slam, nailing down the Blue Jays' 7-2 victory over the Boston Red Sox on Friday night.

Felix lined a 1-0 pitch about 400 feet (120 meters) to the base of the wall in center field.

An inside-the-park homer is so rare in little Fenway Park that nobody could determine whether one had been hit with the bases loaded since the stadium was built in 1912.

SIDELINES

Maradona Denies Move to Marseille

NAPLES (AP) — Diego Maradona, the Argentine soccer star, has denied reports that he will leave Napoli for the soccer club Olympique of Marseille.

"Calm down, fans, I am not going to Marseille or anywhere else," Maradona said Saturday evening, according to the Italian news agency ANSA. "I will remain with Napoli, and not only because I have a contract until '93, but because I am happy here and I want to stay."

He was responding to statements earlier by Jean-Louis Levreau, a member of Olympique's management committee. "Diego Maradona is completely in agreement to come play for O.M.," Levreau had said on France-Inter radio. "The conditions for his arrival have even been settled." Levreau said the transfer fee under discussion was about $6 million.

Ireland Nears First World Cup Berth

DUBLIN (AP) — Paul McGrath and Tony Cascarino scored as Ireland took a giant step toward its first appearance in the World Cup soccer finals with a 2-0 victory Sunday over Hungary in a Group 6 qualifying game here.

The triumph boosted Ireland's point total to eight, with games remaining against the two weakest teams, Northern Ireland and Malta. Ireland and Hungary are battling for the group's second qualifying spot in the 1990 finals in Italy. Spain has clinched the group's top spot.

Soviet Center Might Play in Spain

MADRID (AP) — Arvydas Sabonis, who helped lead the Soviet Union to the basketball gold medal at the 1988 Olympics, apparently has decided to put his NBA career on hold while he makes his professional debut in Spain.

On Saturday, Forum Filatelico of Valladolid in the Spanish League said Sabonis and teammate Valdemaras Homicius had signed one-year contracts.

At the same time, however, the NBA's Portland Trail Blazers, who drafted Sabonis in 1986, said they were told by Soviet sports officials that Sabonis had not been officially granted permission to sign with the Spanish team. Less than two months ago, the Blazers said they were optimistic of signing the 7-foot-3-inch (2.2-meter) center.

Forum Filatelico President Gonzalo Gonzalo said he sealed the deal with the 24-year-old Sabonis for $1 million on Friday in Guadalajara.

For the Record

Karch Kiraly and Steve Timmons, who led the United States national men's volleyball team from obscurity to prominence this decade, have announced their retirement in California. *(AP)*

A **19-year-old soccer fan was killed** Sunday during a fight between opposing fans outside the San Siro stadium before the Roma-A.C. Milan soccer match in Milan. *(AP)*

The New York Knicks have lost the coach they really wanted. John MacLeod, the leading candidate to replace Rick Pitino, who has taken the coaching job at the University of Kentucky, said Friday that he would remain as coach of the Dallas Mavericks. *(NYT)*

Quotable

● Zina Garrison, commenting on Monica Seles entering Center Court at the French Open carrying a bunch of flowers: "To me, it was just a bunch of hype." *(AP)*

SCOREBOARD

BASEBALL

Major League Standings

(Through Saturday)

AMERICAN LEAGUE

East Division	W	L	Pct.	GB
Baltimore	29	22	.569	—
Cleveland	26	27	.491	3
Boston	24	26	.480	4½
Milwaukee	24	29	.453	6
New York	24	29	.453	6
Detroit	22	31	.415	8
Toronto	22	31	.415	8
West Division				
California	34	18	.654	—
Oakland	35	19	.648	—
Kansas City	31	22	.585	3½
Texas	29	23	.558	5
Minnesota	25	28	.472	9½
Seattle	26	30	.464	10
Chicago	19	35	.352	16

NATIONAL LEAGUE

East Division	W	L	Pct.	GB
Chicago	29	23	.558	—
Montreal	29	25	.537	1
New York	27	24	.529	1½
St. Louis	24	26	.480	4
Pittsburgh	21	30	.412	7½
Philadelphia	18	33	.353	10½
West Division				
San Francisco	31	22	.585	—
Cincinnati	29	22	.569	1
Houston	30	24	.556	1½
San Diego	29	27	.518	3½
Los Angeles	25	27	.481	5½
Atlanta	22	31	.415	9

Friday's Results

AMERICAN LEAGUE

Baltimore 003 000 100—4 11 0
Detroit 000 100 000—1 2 1
Milacki, Hickey (9) and Tettleton; Trujillo, Gibson (3), Henneman (8) and Nokes. W—Milacki, 3-5. L—Trujillo, 1-2. Sv—Hickey (2). HR—Detroit, Lynn (3).

Toronto 102 000 004—7 9 1
Boston 000 011 000—2 7 3
Cerutti, Ward (6) and Whitt; Dopson, Murphy (4), Stanley (8) and Cerone. W—Cerutti, 2-3. L—Dopson, 5-4. Sv—Ward (4). HR—Toronto, Felix (3).

Minnesota 202 000 031—8 11 2
Chicago 000 000 000—0 6 0
A.Anderson, Berenguer (8), Reardon (9) and Mercado, Laudner (8); Perez, Patterson (3), Hardy (6) and Fisk. W—A.Anderson, 6-3. L—Perez, 3-6.

New York 000 020 000 1—3 12 1
Milwaukee 001 000 010 0—2 7 0
Parker, Righetti (8) and Slaught; Bosio, Crim (8), Plesac (10) and Surhoff. W—Righetti, 2-1. L—Crim, 4-3.

Texas 122 000 120—8 13 0
Seattle 001 110 200—5 10 1
Jeffcoat, Mielke (6), Guante (7) and Kreuter; Swift, Jackson (4), Powell (8) and McGuire, Bradley (8). W—Jeffcoat, 1-0. L—Swift, 2-1. Sv—Guante (2). HRs—Sierra (6), Franco (8), Kreuter (1), Espy (1).

Kansas City 000 100 021—4 10 0
California 000 000 000—0 10 0
Gubicza and Boone; Finley, Minton (9) and Parrish. W—Gubicza, 5-4. L—Finley, 7-3. HR—Kansas City, Tartabull (7).

Cleveland 020 020 100—5 10 1
Oakland 200 000 010—3 10 1
Swindell, D.Jones (8) and Allanson; Moore, Codiroli (5), Nelson (6) and Steinbach. W—Swindell, 6-1. L—Moore, 6-4. Sv—D.Jones (12). HRs—Cleveland, Snyder (6), Carter (7).

NATIONAL LEAGUE

San Diego 100 020 100—4 9 1
Cincinnati 111 500 10x—9 13 0
Terrell, Booker (5), Leiper (7) and Santiago; Browning, Dibble (7), Charlton (9) and Reed. W—Browning, 5-5. L—Terrell, 4-6. HRs—San Diego, Salazar (4). Cincinnati, E.Davis (8).

San Francisco 102 120 001—7 10 0
Atlanta 110 000 202—6 14 2
Reuschel, Brantley (7), LaCoss (8), Lefferts (9), Gossage (9) and Manwaring, Kennedy (8); Glavine, Puleo (5), Acker (7), Assenmacher (9), Boever (9) and J.Davis. W—Reuschel, 10-2. L—Glavine, 5-2. Sv—Gossage (3). HRs—San Francisco, Mitchell 2 (17), R.Thompson (6). Atlanta, Gant (4), Thomas (7).

Los Angeles 000 000 000—0 4 2
Houston 000 000 10x—1 6 0
Valenzuela, Pena (8) and Scioscia; Scott and Biggio. W—Scott, 8-3. L—Valenzuela, 0-5.

Pittsburgh 100 000 000 01—2 9 2
New York 000 100 000 02—3 9 0
Smiley, J.Robinson (9), Kramer (11) and Ortiz, Prince (9); Gooden, Myers (9), Aguilera (11) and Lyons, Sasser (9). W—Aguilera, 2-1. L—Kramer, 1-2. HR—New York, Magadan (2).

Chicago 002 100 020—5 10 0
St. Louis 000 000 020—2 8 2
Sutcliffe, Schiraldi (8), M.Williams (9) and Berryhill; Magrane, Carpenter (7), DiPino (8), Costello (8), Kinzer (9) and Pena. W—Sutcliffe, 7-3. L—Magrane, 3-4. Sv—M.Williams (14).

Montreal 010 000 000 000 1—2 7 3
Philadelphia 000 010 000 000 0—1 6 0
Langston, Burke (9), Frey (12), Gideon (13), Hesketh (13) and Fitzgerald; K.Howell, Bedrosian (9), Parrett (11), G.Harris (13) and Lake, Daulton (9). W—Frey, 1-0. L—G.Harris, 1-2. Sv—Hesketh (2). HR—Philadelphia, Jordan (2).

Saturday's Results

AMERICAN LEAGUE

Minnesota 220 010 000—5 7 1
Chicago 030 100 000—4 6 2
Viola, Reardon (9) and Mercado, Laudner (8); King, Hillegas (8), Pall (8) and Karkovice. W—Viola, 4-7. L—King, 4-7. Sv—Reardon (8). HR—Minnesota, Bush (7).

Minnesota 000 000 100—1 5 1
Chicago 000 000 11x—2 6 1
Rawley and Laudner; and Fisk. Rosenberg, Hillegas (7), Thigpen (8) and Fisk. W—Hillegas, 2-6. Sv—Thigpen (8). L—Rawley, 3-6. HR—Minnesota, C.Castillo (3).

Toronto 010 401 031—10 13 0
Boston 020 000 000— 2 9 2
Stieb, Wells (6), Henke (9) and Whitt; Boddicker, Lamp (6), Price (8), Smith (9) and Gedman. W—Stieb, 4-3. L— Boddicker, 3-5. HRs—Toronto, McGriff (12), Moseby (6).

Cleveland 000 000 000—0 8 2
Oakland 002 003 20x—7 14 0
Candiotti, Stoddard (6), Atherton (7), Bailes (8) and Allanson, Salas (8); Welch, Plunk (9) and Hassey. W—Welch, 7-4. L—Candiotti, 6-3.

Baltimore 000 020 020—4 9 1
Detroit 000 002 000—2 5 1
Holton, Holsmann (6), Hickey (7), Olson (9) and Tettleton; Alexander, Hernandez (8), Henneman (8) and Nokes. W—Hickey, 1-0. L—Alexander, 4-5. Sv—Olson (6). HR— Baltimore, C.Ripken (8).

New York 000 000 000—0 5 1
Milwaukee 000 020 00x—2 5 0
Dotson and Slaught; Krueger, Knudson (6), and Plesac (9). W—Krueger, 2-0. L—Dotson, 2-3. Sv—Plesac (12).

Texas 101 001 003—6 4 1
Seattle 100 000 000—1 1 2
Ryan and Kreuter; Zavaras, Niedenfuer (9) and Bradley. W—Ryan, 6-3. L—Zavaras, 0-1. HR—Texas, Sierra (7).

Kansas City 000 012 000—3 7 2
California 012 001 00x—4 11 1
Leibrandt, Montgomery (8) and Boone; McCaskill, Minton (8), McClure (9) and Parrish. W—McCaskill, 7-1. L— Leibrandt, 3-4. Sv—McClure (2). HRs—Kansas City, Buckner (1). California, Downing (5).

NATIONAL LEAGUE

San Francisco 000 200 002—4 6 1
Atlanta 000 000 000—0 5 1
D.Robinson, Hammaker (4), LaCoss (9) and Manwaring; Z.Smith, Alvarez (9) and J.Davis, Russell (9). W— Hammaker, 5-3. L—Z.Smith, 1-8. HRs—San Francisco, Mitchell (18), Maldonado (3).

Chicago 013 000 001 0—5 8 0
St. Louis 300 002 000 1—6 11 2
Bielecki, S.Wilson (6), Schiraldi (8), M.Williams (10) and Berryhill; Hill, Costello (7), Dayley (7), DiPino (10), Quisenberry (10). W—Quisenberry, 2-1. L—Schiraldi, 1-3. HRs—Chicago, Webster (1), St. Louis, Pendleton (2).

Pittsburgh 010 000 002—3 8 2
New York 100 150 20x—9 10 1
Walk, Landrum (6), Samuels (7) and Ortiz; Darling and Lyons. W—Darling, 4-4. L—Walk, 5-4. HRs—Pittsburgh, R.Reynolds (3). New York, Strawberry (12), H.Johnson (11).

San Diego 000 010 010—2 9 1
Cincinnati 000 105 00x—6 10 0
Show, Grant (7) and Santiago; Mahler and Reed. W— Mahler, 7-5. L—Show, 6-6. HRs—San Diego, T.Gwynn (3). Cincinnati, E.Davis (9), Roomes (3).

Montreal 010 010 401—7 14 1
Philadelphia 000 010 004—5 8 1
K.Gross, Hesketh (9), Burke (9) and Fitzgerald; McWilliams, M.Maddux (7), G.Harris (7) and Daulton. W—K.Gross, 6-3. L—McWilliams, 2-6. Sv—Burke (12). HRs—Montreal, Galarraga (8). Philadelphia, V.Hayes (9).

L.A. 201 010 000 000 000 000 000 0—4 14 1
Hstn 000 102 000 000 000 000 000 1—5 10 2
Leary, Horton (6), Crews (6), Wetteland (7), Howell (8), Pena (10), Morgan (12), Hershiser (14), Hamilton (21) and Dempsey, Scioscia (7); Knepper, Darwin (6), Schatzeder (7), Andersen (9), Agosto (12), D.Smith (16), Clancy (18) and Biggio, Trevino (7). W—Clancy, 3-4. L—Hamilton, 0-1. HRs—Los Angeles, Gibson (4). Houston, G.Davis (13).

BASKETBALL

NBA Playoffs

FRIDAY'S RESULT

Detroit 24 25 28 26—103
Chicago 26 21 22 25— 94

Detroit: Aguirre 3-8 4-4 10, Mahorn 2-2 0-0 4, Laimbeer 4-10 2-2 11, Dumars 5-12 2-2 12, Thomas 12-28 9-10 33, Rodman 3-5 3-4 9, Johnson 3-13 2-4 8, Salley 2-3 1-2 5, Edwards 3-9 5-7 11, Long 0-0 0-0 0. Totals 37-90 28-35 103.

Chicago: Pippen 0-0 0-0 0, Grant 4-6 5-6 13, Cartwright 1-8 2-4 4, Hodges 6-12 0-0 15, Jordan 13-26 5-12 32, Sellers 4-10 8-8 16, Paxson 4-6 1-2 10, Corzine 0-2 0-2 0, Davis 1-4 0-0 2, Vincent 1-2 0-0 2. Totals 34-76 21-34 94.

Three-point goals: Hodges 3, Jordan, Laimbeer, Paxson. Fouled out: Paxson. Rebounds: Detroit 66 (Rodman 15), Chicago 49 (Grant 13). Assists: Detroit 24 (Dumars 9), Chicago 21 (Jordan 13). Total fouls: Detroit 25, Chicago 27.

CONFERENCE FINALS
(Best-of-7)
Eastern Conference

Chicago 94, Detroit 88
Detroit 100, Chicago 91
Chicago 99, Detroit 97
Detroit 86, Chicago 80
Detroit 94, Chicago 85
Detroit 103, Chicago 94
(Detroit won series, 4-2)

Western Conference

L.A. Lakers 127, Phoenix 119
L.A. Lakers 101, Phoenix 95
L.A. Lakers 110, Phoenix 107
L.A. Lakers 122, Phoenix 117
(L.A. Lakers won series, 4-0)

FINALS
Detroit vs. L.A. Lakers

June 6: L.A. Lakers at Detroit
June 8: L.A. Lakers at Detroit
June 11: Detroit at L.A. Lakers
June 13: Detroit at L.A. Lakers
x-June 15: Detroit at L.A. Lakers
x-June 18: L.A. Lakers at Detroit
x-June 20: L.A. Lakers at Detroit
(x-if necessary)

SOCCER

ITALIAN FIRST DIVISION

Atalanta of Bergamo 0, Juventus of Turin 0
Cesena 1, Pisa 0
Florentina 1, Lecce 1
Lazio of Rome 1, Internazionale of Milan 3
Milan 4, Roma 1
Napoli 1, Sampdoria of Genoa 1
Pescara 1, Como 1
Torino 1, Ascoli 1
Verona 0, Bologna 0

Points: Internazionale 54; Napoli 44; AC Milan 40; Juventus 38; Sampdoria, Atalanta 35; Fiorentina 32; Roma 29; Verona 28; Lecce 27; Lazio, Ascoli, Bologna, Cesena 26; Pescara 25; Torino 23; Como 22; Pisa 21.

SPANISH FIRST DIVISION

Valencia 2, Gijon 1
Elche 1, Real Sociedad 1
Espanol 0, Betis 0
Cadiz 1, Zaragoza 1
Atletico de Madrid 3, Valladolid 2
Sevilla 1, Barcelona 1
Logrones 1, Celta 1
Athletic de Bilbao 3, Murcia 0
Malaga 2, Real Madrid 2

WEST GERMAN FIRST DIVISION

SV Waldhof Mannheim 2, FC St. Pauli 1
Bayer Leverkusen 0, VfB Stuttgart 0
Borussia Moenchengladbach 1, Karlsruher SC 1
Werder Bremen 2, Eintracht Frankfurt 0
Borussia Dortmund 2, VfL Bochum 1
Hannover 2, FC Nuremberg 2
Bayern Munich 5, Bayer Uerdingen 0
Hamburger SV 1, FC Kaiserslautern 1

Points: Bayern Munich 48; 1. FC Cologne, Werder Bremen 42; Hamburger SV 40; Borussia Moenchengladbach 38; VfB Stuttgart 37; Borussia Dortmund 35; Bayer 04 Leverkusen 33; 1. FC Kaiserslautern, Bayer Uerdingen 31; Karlsruher SC, FC St. Pauli 30; SV Waldhof Mannheim 27; VfL Bochum 26; 1. FC Nuremberg 24; Eintracht Frankfurt 23; Stuttgarter Kickers 21; Hannover 96 16.

WORLD CUP QUALIFYING

Hong Kong 1, Indonesia 1
Japan 2, North Korea 1
South Korea 4 Nepal 0
England 3, Poland 0
Singapore 2, Malaysia 2
Ireland 2, Hungary 0

INTERNATIONAL FRIENDLY

Egypt 2, Chile 0

TRACK & FIELD

NCAA Finals

Winners in NCAA Track & Field Championships, at Brigham Young University in Provo, Utah, from Wednesday through Saturday (all distances in meters):

MEN

100
Raymond Stewart, Texas Christian, 9.97 seconds.

200
Dennis Mitchell, Florida, 20.09 seconds.

400
Raymond Pierre, Baylor, 44.59.

800
Paul Ereng, Virginia, 1:47.50.

1500
Kip Cheruiyot, St. Mary's-Maryland, 3:42.06.

3000 steeplechase
Tom Nohilly, Florida, 8:45.24.

5,000
Marc Davis, Arizona, 14:07.88.

10,000
John Scherer, Michigan, 29:48.95.

110 hurdles
Robert Reading, Southern Cal, 13.19.

400 hurdles
Winthrop Graham, Texas, 48.55.

400 relay
Texas Christian (Andrew Smith, Horatio Porter, Raymond Stewart, Greg Sholars), 38.23 (NCAA record; old record 38.46, Texas Christian, 1986).

1,600 relay
Texas A&M (Stanley Kerr, Errington Lindo, Derrick Florence, Howard Davis), 3:00.91.

High jump
Hollis Conway, SW Louisiana, 7-9¾ (American record; old record 7-9¼, Tom McCants, unattached, 1988; Jerome Carter, unattached, 1988, and Hollis Conway, SW Louisiana, 1989).

Pole vault
Tim McMichael, Oklahoma, 18-6½ (NCAA meet record; previous record 18-6, Joe Dial, Oklahoma St., May 31, 1985).

Long jump
Joe Greene, Ohio St., 27-7½ (wind-aided).

Triple jump
Edrick Floreal, Arkansas, 56-8¾.

Shot put
Mike Stulce, Texas A&M, 68-11¾.

Discus
John Nichols, LSU, 208-1.

Hammer Throw
Christoph Koch, NE Louisiana, 233-2.

Javelin
Patrik Boden, Texas, 255-4.

Decathlon
Derek Huff, Arizona, 8020 points.

WOMEN

100
Dawn Sowell, Louisiana St., 10.78 (NCAA record: old record 10.93, Dawn Sowell, Louisiana St., 1989).

200
Dawn Sowell, LSU, 22.04 (NCAA record; old record 22.17, Marlene Ottey-Page, Nebraska, 1982).

400
Pauline Davis, Alabama, 50.18 (NCAA meet record; old record 50.90, Lillie Leatherwood-King, Alabama, June 6, 1987).

800
Meredith Rainey, Harvard, 2:03.90.

1,500
Suzanne Favor, Wisconsin, 4:15.83.

3,000
Vicki Huber, Villanova, 9:06.96.

5,000
Valerie McGovern, Kentucky, 16:17.20.

10,000
Jackie Goodman, Oklahoma St., 33:42.35.

100 hurdles
Tananjalyn Stanley, Louisiana St., 12.70.

400 hurdles
Janeene Vickers, UCLA, 55.27.

400 relay
LSU (Tananjalyn Stanley, Dawn Sowell, Cinnamon Sheffield, Esther Jones), 42.50.

1,600 relay
Texas (Kellie Roberts, Leslie Hardison, Barbara Flowers, Carlette Guidry) 3:31.18.

High Jump
Melinda Clark, Texas A&M, 6 feet, ¾ inch.

Long Jump
Christy Opara, Brigham Young, 21-2½.

Triple Jump
Renita Robinson, Nebraska, 44-7½.

Shot put
Carla Garrett, Arizona, 54-8.

Discus
Carla Garrett, Arizona, 190-4. Javelin Kim Engel, Georgia, 196-8.

TENNIS

French Open

MEN
Third Round

Guillermo Perez-Roldan (16), Argentina, def. Francesco Cancellotti, Italy, 6-1, 3-6, 6-2, 6-3; Goran Ivanisevic, Yugoslavia, def. Mark Woodforde, Australia, 6-3, 6-4, 6-0; Lawson Duncan, U.S., def. Jerome Potier, France, 6-4, 6-0, 6-4; Jakob Hlasek (6), Switzerland, def. Leonardo Lavalle, Mexico, 4-6, 6-1, 3-6, 6-3, 6-4.

Sergio Bruguera, Spain, def. Karel Novacek, Czechoslovakia, 6-4, 6-1, 1-6, 6-3; Thierry Tulasne, France, def. Jean Fleurian, France, 7-6 (7-4), 4-6, 6-0, 6-7 (5-7), 6-0, completion of suspended match; Alberto Mancini (11), Argentina, def. Paul Haarhuis, Netherlands, 6-4, 6-4, 6-3; Mats Wilander (4), Sweden, def. Omar Camporese, Italy, 6-4, 6-3, 7-6 (7-2).

Stefan Edberg (3), Sweden, def. Jimmy Arias, U.S., 6-4, 6-4, 6-4; Andrei Chesnokov, Soviet Union, def. Carl-Uwe Steeb, West Germany, 3-6, 6-1, 7-5, 6-3; Ronald Agenor, Haiti, def. Claudio Pistolesi, Italy, 1-6, 6-1, 6-4, 6-3; Michael Chang (15), U.S., def. Francisco Roig, Spain, 6-0, 7-5, 6-3.

Ivan Lendl (1), Czechoslovakia, def. Darren Cahill, Australia, 7-6 (7-3), 6-3, 6-3; Jim Courier, U.S., def. Andre Agassi (5), U.S., 7-6 (9-7), 4-6, 6-3, 6-2.

Fourth Round

Boris Becker (2), West Germany, def. Guillermo Perez-Roldan, Argentina, 3-6, 6-4, 6-2, 4-6, 7-5; Jay Berger, U.S., def. Thierry Tulasne, France, 3-6, 6-2, 6-0, 6-3; Stefan Edberg (3), Sweden, def. Goran Ivanisevic, Yugoslavia, 7-5, 6-3, 6-3; Alberto Mancini (11), Argentina, def. Jakob Hlasek (6), Switzerland, 6-4, 6-4, 4-6, 2-6, 6-4.

WOMEN
Third Round

Jo-Anne Faull, Australia, def. Susan Sloane (16), U.S., 6-3, 6-1; Gabriela Sabatini (2), Argentina, def. Nicole Provis, Australia, 4-6, 7-5, 6-3; Mary Joe Fernandez (15), U.S., def. Niege Dias, Brazil, 6-7 (3-7), 6-1, 6-1; Manuela Maleeva (6), Bulgaria, def. Larissa Savchenko, Soviet Union, 6-1, 6-2.

Amanda Coetzer, South Africa, def. Karine Quentrec, France, 7-6 (8-6), 6-1; Janine Thompson, Australia, def. Manon Bollegraf, Netherlands, 6-2, 6-3; Arantxa Sanchez (7), Spain, def. Natalia Medvedeva, Soviet Union, 6-0, 3-6, 6-2; Monica Seles, Yugoslavia, def. Zina Garrison (4), U.S., 6-3, 6-2.

Jana Novotna (11), Czechoslovakia, def. Rene Simpson, Canada, 6-1, 6-0; Sylvia Hanika, West Germany, def. Laura Golarsa, Italy, 4-6, 6-1, 6-3.

Fourth Round

Steffi Graf (1), West Germany, def. Silvia La Fratta, Italy, 6-2, 6-1; Arantxa Sanchez (7), Spain, def. Amanda Coetzer, South Africa, 6-3, 6-2; Mary Joe Fernandez (15), U.S., def. Gabriela Sabatini (2), Argentina, 6-4, 6-4; Conchita Martinez (8), Spain, def. Katerina Maleeva (9), Bulgaria, 6-0, 6-1.

Monica Seles, Yugoslavia, def. Jo-Anne Faull, Australia, 6-3, 6-2; Jana Novotna, Czechoslovakia, def. Sylvia Hanika, West Germany, 6-1, 6-4; Helena Kelesi (10), Canada, def. Ann Grossman, U.S., 6-1, 6-2; Manuela Maleeva (6), Bulgaria, def. Janine Thompson, Australia, 7-6 (7-3), 6-2.

TRANSITION

BASEBALL
American League

BOSTON—Put Jim Rice, designated hitter, on 21-day disabled list. Recalled Carlos Quintana, first baseman-outfielder, from Pawtucket, International League.

CLEVELAND—Purchased contract of Dave Hengel, outfielder, from Colorado Springs, Pacific Coast League. Sent Mike Young, outfielder, outright to Colorado Springs.

DETROIT—Optioned Randy Nosek, pitcher, to Toledo, International League.

KANSAS CITY—Recalled Kevin Appier, pitcher, from Omaha, American Association. Optioned Luis de los Santos, infielder, to Omaha.

TORONTO—Put Dewayne Buice, pitcher, on 15-day disabled list. Recalled Xavier Hernandez, pitcher, from Syracuse, International League.

National League

LOS ANGELES—Put Mike Marshall, outfielder, on 21-day disabled list. Purchased contract of Jose Gonzalez, outfielder, from Albuquerque, Pacific Coast League.

MONTREAL—Recalled Brett Gideon, pitcher, from Indianapolis, American Association.

PHILADELPHIA—Optioned Alex Madrid, pitcher, to Scranton-Wilkes-Barre, International League. Sent Randy O'Neal, pitcher, outright to Scranton-Wilkes-Barre. Recalled Bruce Ruffin, pitcher, from Scranton-Wilkes-Barre. Activated Floyd Youmans, pitcher, from 21-day disabled list.

PITTSBURGH—Signed Chris Brown, infielder, and assigned him to Buffalo, American Association.

SAN DIEGO—Traded Randy Ready, infielder, and John Kruk, outfielder, to Philadelphia for Chris James, outfielder.

BASKETBALL
National Basketball Association

WASHINGTON—Re-signed Mark Alarie, forward, to multi-year contract.

FOOTBALL
National Football League

CINCINNATI—Re-signed Brian Blados, offensive lineman.

DALLAS—Traded Steve DeOssie, linebacker, to New York Giants, for an undisclosed draft choice.

DETROIT—Released Rob Rubick, tight end; Randall Morris and Doug Beaty, running backs; Stephen Starring and Anthony Ketchum, wide receivers; Tom Byrne and Joe Pizzo, quarterbacks; Al Hupe, defensive tackle; John Phillips, offensive lineman; Bob Martz, defensive lineman, and Selwyn Brown, defensive back.

COLLEGE

CHICAGO—Named Greg Quick football coach.

DAVIDSON—Kit Morris, athletic director, resigned, effective June 30.

GEORGETOWN—Said that John Turner, forward, has withdrawn from school.

MISSOURI—Said that Mike Wawrzyniak has left basketball team.

SOUTH CAROLINA—Said Anthony Parker, wide receiver, and Gerald Williams, running back, are academically ineligible for 1989 football season.

HOCKEY
National Hockey League

BUFFALO—Traded Mark Ferner, defenseman, to Washington Capitals for Scott McCrory, center.

PHILADELPHIA—Named John Paddock assistant general manager.

ST. LOUIS—Signed Randy Skarda and Adrien Plavsic, defensemen, and Vincent Riendeau, goaltender, to multiyear contracts.

GOLF

Leading scores after Sunday's final round of the British Masters PGA European Tour golf tournament, played on the par-72, 6,940-yard Woburn Golf and Country Club course in Woburn, England:

Nick Faldo, England	71-65-65-66—267
Ronan Rafferty, N. Ireland	70-65-67-69—271
Christy O'Connor Jr., Ireland	69-66-73-68—276
Ove Sellberg, Sweden	71-66-70-69—276
Mike Harwood, Australia	69-70-66-71—276
Ian Woosnam, Wales	71-70-70-66—277
Rick Hartmann, U.S.	70-69-71-67—277
Mike Smith, U.S.	71-69-66-71—277
Mark James, England	69-68-70-71—278
Peter Mitchell, England	67-73-64-74—278
Peter Senior, Australia	74-66-66-72—278
Jose-Maria Olazabal, Spain	69-71-71-68—279
Jeff Hawkes, South Africa	73-65-69-72—279
Jose-Maria Canizares, Spain	69-67-71-72—279
Gordon Brand Jr., Scotland	72-73-67-68—280
Jose Rivero, Spain	69-70-71-70—280
Ross McFarlane, England	72-73-65-71—281
Mike Clayton, Australia	72-70-70-69—281
Bob Shearer, Australia	72-71-69-69—281
Ian Mosey, England	70-73-69-69—281

CYCLING

Tour of Italy

15TH STAGE
(Cervere to Trento; 131 kilometers/81 miles; 93 kilometers/51 miles)

1st section: 1. Jean-Paul Van Poppel, Netherlands, 3:04:26; 2. Alessio di Basco, Italy, same time; 3. Adriano Baffi, Italy, s.t.

2nd section: 1. Lech Piasecki, Poland, 2:08:21; 2. Luca Gelfi, Italy, same time; 3. Francesco Rossignoli, Italy, s.t.

OVERALL STANDINGS

1. Laurent Fignon, France, 70:07:39; 2. Flavio Giupponi, Italy, at 1:50; 3. Andrew Hampsten, U.S., 2:31; 4. Franco Chioccioli, Italy, 2:51; 5. Urs Zimmermann, Switzerland, 3:03.

Eiffel Tower, at 100, Has Defeated Its Critics

International Herald Tribune

PARIS—After the close of the 1889 world's fair, of which it had been the uncontested star, there was talk of junking the Eiffel Tower or transforming it. Why not cover it in tiles for the 1900 world's fair, suggested one improver, or festoon it in metal frills? An architect named Gautier recommended that it be

MARY BLUME

turned into a multi-level pagoda, another named Samson submitted a project in which the tower was thickened and covered entirely in soil and grass, with a winding road spiraling its waist and a waterfall cascading from its top.

The Eiffel Tower remained unscathed to celebrate its centennial this year: unlovely perhaps but much loved, celebrated in paint by Seurat, Rousseau, Delaunay and Chagall and in words by *Apollinaire, Aragon and Roland* Barthes.

In retrospect, the tower was original but inevitable. As early as 1833 an English engineer named Trevithick suggested that a 1,000 foot (304.80-meter) metal tower be erected to celebrate the passage of the 1832 Reform Bill, and in 1876, again unsuccessfully, a metal tower was proposed for the Philadelphia world's fair.

In June, 1884, five months before the formal announcement of the 1889 Paris world's fair, a Swiss engineer named Maurice Koechlin drew a plan for a 300-meter metal pylon standing on four metal feet. Koechlin was an employee of the world-famous engineer Gustave Eiffel.

The 1889 exhibition and its most famous monument are the subject of a show at the Musée d'Orsay, "1889: La Tour Eiffel et l'exposition universelle" (until Aug. 15), which includes Koechlin's sketch as well as such spinoffs as an Eiffel tower-shaped birdcage. A plan outlined on the exhibition's floor shows that the tower's base was surrounded by pavilions from minor powers such as Bolivia, Panama and Norway, a sign of prudence, perhaps, for it seemed abundantly clear (and

Gustave Eiffel, about 1889.

still does to anyone standing beneath it) that the tower would fall down.

World's fairs represent the lofty and the daffy in ephemeral collusion, and 1889 was no exception. It also had themes specific to its date: celebration of the centennial of the French Revolution without scaring off participating monarchies; the need to show a profit, which it did (the previous fair, in 1878, ended in deficit); using a fair as means to rejoice in the new prosperity and to provide at least temporary work for the many unemployed. There was also technology to flaunt: The fair marks the apogee of 19th-century metal architecture and France's first widespread use of electric light.

Even before the decree announcing the exposition, there had been talk of a 300-meter tower, and architects were working on designs. Eiffel had seen the plan of Koechlin and another of his employees, Emile Nouguier, and was not interested. According to one historian, when asked by the authorities to submit a design for the world's fair competition, Eiffel was caught short and bought his employees' plan.

With Stephen Sauvestre, Eiffel modified the plan and his project was accepted. Sauvestre has been forgotten to the point where even the date of his death is unknown, but such was Eiffel's prestige that the project, known as the Tour de 300 Mètres, was promptly renamed the Tour Eiffel.

The tower was considered scary and denounced as hideous even before construction began in a famous letter of protest signed by Gounod, Maupassant and the architect of the Paris Opéra, Charles Garnier.

Garnier's signature was possibly a case of professional jealousy and was certainly out of order. He was the consulting architect of the 1889 exhibition and the creator of one of its major attractions: the unintentionally hilarious Histoire de l'habitation, which featured Garnier's "historically accurate" renderings of human dwellings from the stone and iron ages to modern times and from the Etruscans and Aztecs to the Chinese, Scandinavians and Hindus. The houses were similar in form and bore a striking resemblance to 19th-century seaside homes. It was in fact pointed out that Garnier's fine "Phoenician" dwelling was not unlike his own villa in Bordighera.

The Eiffel Tower was constructed, mostly from prefabricated pieces, at breakneck speed but with only one casualty: a youth who was showing off to his fiancée on a girder after working hours. As good a businessman as he was an engineer, Eiffel paid off his investors within a year and made a deal with the tower's owner, the city of Paris, whereby his company would manage the tower for 20 years. One way or another (there must have been a lot of fine print), the contract did not expire and the city finally took it over nearly a century later, in 1980.

If the 1889 exhibition marked the triumph of iron, it was also a remarkable for its lively colors which inspired Debussy, Tiffany and Gallé. Blue was particularly

The Eiffel Tower as seen by Robert Delaunay.

pervasive, to the point where Le Figaro's guide to the fair was called Le Guide Bleu.

Blue was especially evident in the Palais des beaux arts et des arts libéraux, the most important structure in the fair along with the tower and the *galerie des machines*, a vast, domed shed filled with pistons, conveyor belts, flatbed presses, flywheels and complex plaster statues writhing in allegory.

The foreign pavilions were built in approximate native style by French architects, with Albert Ballu's grandiose Argentinian pavilion such a success that it was dismantled and shipped to Buenos Aires, where it stood until 1933. Foreign countries were urged to fill their ersatz pavilions with real natives, and a reproduction of a Cairo street was made, including a mosque, a bazaar and a local lowlife who turned out to be a bit too real.

But above all there was Eiffel's tower, that "solitary suppository riddled with holes," the writer Huysmans called it, with which everyone, despite themselves, sooner or later fell, or falls, in love. "We are all citizens of the Eiffel Tower," a former critic said.

Sonnets, letters, polkas, waltzes and even a symphony were written in praise of the tower. The symphony, whose first movement exists in a piano transcription, begins *lento* with the arrival of the workers and ends *lento e grandioso* with a hymn to the French flag.

Eiffel kept the souvenirs of praise and discarded criticism. He died in 1923, seven years before the Chrysler building eclipsed his tower as the tallest building in the world.

LANGUAGE

Chapter and Versus: Some Case Law

By William Safire

WASHINGTON—How do you pronounce the *v.* in *Roe v. Wade*? Beyond that, where do you stand on the entire abbreviation issue of *v.* versus *vs.*?

"It is the policy of NBC News," speaks its person, Dom Giofre, "to use the abbreviation *v.* for *versus*." Sure—then how does he explain the title of the NBC program "Roe *vs.* Wade," with the two-letter abbreviation *vs.* appearing in television listings and on video promos throughout the land? Ask an NBC newsperson about a news-ish program produced in the network's entertainment division and you get the sort of look a Frenchman gives you when asked about American wines: "It is our policy to use *v.* regardless of whether the entertainment division puts out a film it calls 'Roe vs. Wade.'"

The Associated Press and the Los Angeles Times both disagree with NBC: Their stylebooks call for *vs.*, never *v.* The New York Times takes a sophisticated straddle: *v.* is reserved for the names of court cases and legal proceedings, *vs.* is used for non-legal contexts and the word is spelled out in ordinary use, as in "It was cowboy versus steer, and the steer won."

Let's go to the top; how does the Supreme Court stand on this? "In writing," says Kathy Arberg, a spokeswoman for the court, "*v.* is always used in Supreme Court cases." That's the easy part: Nobody disputes that lawyers abbreviate *versus* with a single letter, though The Associated Press will blithely correct them in wire copy. But how do the justices pronounce the word from the bench? "'Versus' is most often used when the case name is spoken," she reports, "but the abbreviation has also been pronounced as 'vee.'"

In law schools, according to Norman Dorsen, president of the American Civil Liberties Union, professors often like to *substitute and* when referring to cases: Marbury and Madison, you know. Ira Robbins, a professor of law at American University, has heard this informal use, too: "You will occasionally hear 'the case of Smith and Jones.' It's not necessarily incorrect, but I regard it as an affectation."

Which is the correct abbreviation — *v.* or *vs.*? Answer: Both. Comment on answer: That's silly. We ought to be able to decide on an abbreviation; indeed, we should, since the pronunciation of the two abbreviations differs.

To review the state of play: Lawyers use *v.*, and pronounce it mostly "versus," occasionally "vee" if they're swingers; laymen and journalists mostly use *vs.*, pronouncing it "versus," except when referring to court cases, when they pick up the lawyer's *v.*, and pronounce it "vee."

The etymology is no help in this decision: The Latin *vertere* means "to turn," and is also the root of *revert, version* and the well-turned *verse* (as well as *animadvert*, "to comment on with disapproval," one of my favorite verbs). *Versus* means "against" or "turned to face toward," at which point the person facing you is your adversary. Both abbreviations have been in use for centuries.

OK, we're going to clear it up today. Abbreviations exist to save space—e.g. (short for *exempli gratia*, "for example, and it won't cost you a thing"), *R.S.V.P.*, for the French *Répondez s'il vous plait*, which now means "Get back to us by Friday or we'll invite somebody else." The speaker, who is not concerned with space, must decide: Do I want to pronounce the abbreviation or the word for which the abbreviation is saving space?

The trend, I think, is toward pronouncing the abbreviation, thereby saving time, the speaker's equivalent of space. Let's go with that irresistible flow; since the *written v.* has become immutable in law, its pronunciation should be "vee"; nobody suggests *vs.* be pronounced "viz" (which would then be confused with *viz.*, from *videlicet*, "that is, namely").

Others can do what they like — some purists will even do as they like—and I hate to give up the chance to overturn the Supreme Court, but I'm going with *v.* in all cases, legal and general. I'll pronounce the abbreviation "vee"; when I want to use the whole word *versus*—for emphasis, as in "It's me versus the world," as so often it is—I'll simply spell it out and pronounce it with both syllables, no matter how much space it occupies or split seconds it takes.

This elitist fiat has the added advantage of removing the confusion from the abbreviation of *verse*, which is and should remain *vs.* That's it; remanded to the boondocks for usage.

Never try to steal a man's down-home, cracker-barrel, man-of-the-people metaphor.

Trying to explain to reporters hot for bold initiatives why a cautious approach to Mikhail S. Gorbachev's proposals was necessary, Secretary of State James A. Baker 3d, a Texan, said that the Soviet leader was "singing out of our hymnbook."

This was not a suggestion that the Soviet leader had abandoned godless communism; rather, the figure of speech was drawn, with evident care, from an expression the folks at the Dictionary of American Regional English suggest may be of Texas origin. The only DARE examples of usage indicate a sense of cohesion: *Singing out of the same hymnbook* (or *hymnal* or *choir book*) means "acting in unison."

The Baker usage, however, adds to the religious trope a proprietary sense: "following the words and music as sung by one sect." Baker was trying to put in familiar terms his point that the Soviet leader had been induced by internal contradictions and Western resolve to operate in the American context of freedom and market forces.

In a question period after the secretary's statement, a filmmaker complained that we were not taking the initiative: "It just seems that we're singing out of their hymnbook."

Baker responded with firmness if not acerbity: "They're singing out of our hymnbook."

After a few minutes, the very thought that his figure of speech could be turned around caused him to return to it: "It *is* the policies we've pursued the last 40 years that have kept the peace," he said, adding resolutely, "and brought the Soviets to the point where they are in fact singing out of our hymnbook."

□

Sunnuu's is good news, thought palindrome fans, but 1989 has brought us more excitement: The new president-elect of Argentina is the Peronist Carlos Saúl Menem.

The palindromic ball is rolling.

As Thomas Campion of Bowie, Maryland, asked, even before the possibility of the overturn of Roe v. Wade was raised: "Won't lovers revolt now?"

New York Times Service

INTERNATIONAL CLASSIFIED

FRENCH BICENTENNIAL

NEAR BASTILLE, 1) Historical building, luxurious 260 sq.m., 4 rooms, 3 bathrooms. 2) Large studio 60 sq.m. charm, 2 persons. FF5,000 and FF5,000 per week. For July. Tel: 42.77.66.66.

RENT: BASTILLE: 2 apartments (small & large). July & Aug. Clunard, 21 rue Charles V, Paris 75004. 42.77.72.07.

MOVING

1992 - NOW !
interdean
INTERNATIONAL MOVERS FOR A FREE ESTIMATE CALL
PARIS (1) 39569000

Move All Over the World with
GLOBAL INTERNATIONAL
PARIS (1) 47.20.28.28
TELEFAX (1) 47.20.93.68
TELEX 648367
21 OFFICES AROUND THE WORLD
Paris Personnel Fully Bilingual

ALLIED VAN LINES
NICE, CANNES, MONACO.
COMPAGNIE GENERALE
B.P. 40, 06021 Nice Cedex.
Tel: 93.21.35.72

MOVING

FOUR WINDS
INTERNATIONAL DOOR TO DOOR MOVING SERVICES
PARIS OFFICE (1) 34 64 91 91
HONG KONG (5) 8859666
LONDON 0344 56658
OFFICES & AGENTS WORLD WIDE

ELITE
INTERNATIONAL MOVING
FOR FREE ESTIMATE
PARIS (1) 40 16 03 60
NEW YORK (914) 834 5832

MARTINI TECHNOTRANS - NICE / CANNES. Tel: 93.39.43.44. Overseas Moving - Storage - Packing - Air/Sea Shipping, Car/Baggage, Clearance.

SUMMER RENTALS

TO LET, AUGUST: High standard 4 room apartment, Port Royal district, Tiny garden. Can accommodate 2 couples. FA,000. Call monday to friday lunch and dinner times, 47.34.16.67.

PARIS FLAT, 16th Bedrooms, Aug 1-31, all comforts, quiet, 2/3 persons, $700 or FF3,000. Tel: 45.74.49.98 (10am-7pm).

VACATION IN TUNISIA. Rent lovely villa with garden & sea view (resort). Telephone Qatar (0974) 421754.

LEGAL SERVICES

GUAM USA DIVORCE Fast. Both sign, no travel. Free Book. Attorney Don Partinson, Box BK Agana, Guam. Phone 671-477-7637 or Fax: 477-4550.

BEAUTY SERVICES

B A L D N E S S
The first and only cosmetic hair growth restorer now available. Ask: PARZOO Inc. Dept. Mof, POB 162 5700 AD Helmond, The Netherlands. Fax: 31.4920.29305. Office closed during July.

ANNOUNCEMENTS

LONDON TRIP? Best seats available Phantom, Aspects of Love, Les Mis, Cats, Starlight etc and Wimbledon Tennis. Book Now! Boxs-10pm 7 days 01 388 1594

ALL BEST SEATS Wimbledon tickets & hospitality, Phantom, Les Mis, all sport, pop and theatre. Tele:UK 01-493-0427 or 495-0996/7 Fax: 01-408-1688.

LONDON TRIP? Best seats available Phantom, Aspects of Love, Les Mis, Cats, Starlight etc & Wimbledon Tennis. Book Now! on 01 388 1594

MILA SCHON. The most refined of all ties, in ZURICH exclusively at - WEINBERG's - leading men's store - 13, Talhofstr. 01-211 29 50

ALCOHOLICS ANONYMOUS English speaking meetings daily. Tel: PARIS 46 34 59 65 or ROME 678 0220.

CIGARETTE CARDS Collections wanted. W.L. Hood, 9 St Peter's Rd, Lowestoft, NR33 OUH Tel UK 502 587758

ANNOUNCEMENTS

TO OUR READERS VISITING FROM THE U.S.A.
THE IHT IS NOW AVAILABLE IN MANY U.S. CITIES ON DATE OF ISSUE
Now printed by satellite transmission in New York, the International Herald Tribune offers same-day home or office delivery in Manhattan, most areas of Washington D.C., Boston, Los Angeles, San Francisco and Miami.
Subscription copies are also flown directly to Atlanta, Chicago and Houston for speedy delivery.
In the U.S.A., call TOLL FREE 1-800-882-2884
In New York, call (212) 752-3890
or write International Herald Tribune 850 Third Avenue New York, N.Y. 10022 Telex: 427 175 Fax: (212) 755-8785

ANNOUNCEMENTS

USADIRECT
CALLING THE STATES FROM OVERSEAS AS HAS NEVER BEEN EASIER WITH USADIRECTSERVICE
All you have to do is dial a number to be connected to an AT&T operator in the U.S.
AUSTRALIA 0014-881-011
AUSTRIA* 022-903-011
BELGIUM* 11-0010
BRAZIL 000-8010
BR. VIRGIN IS. 1-800-872-2881
DENMARK* 0430-0010
FINLAND* 9800-100-10
FRANCE* 19*-0011
GERMANY, FRG* 4 0130-0010
HONG KONG 008-1111
ITALY* 4 172-1011
JAPAN* 0039-111
NETHERLANDS* 06*-022-9111
NEW ZEALAND 000-911
NORWAY* 050-12-011
SWEDEN* 020-795-611
SWITZERLAND* 046-05-0011
UNITED KINGDOM 0800-89-0011
* Await second dial tone.
1.Available on a trial basis only.
2.Available only from Milan and Rome
3.Not available from all locations.
4.Coin required for local access. There may be a silent delay of up to 30 seconds between dialing and operator response. While in the USA dial 1-800-874-4000 Ext. 344 for more information.
AT&T The right choice.
Cut out & save for easy reference.

REAL ESTATE FOR SALE

INTERNATIONAL

INVESTMENT OPPORTUNITIES IN LUXURY DEVELOPMENTS IN THE BEST LOCATIONS OF EUROPE
•FRANCE
ANTIBES
COURCHEVEL - VAL D'ISERE
DEAUVILLE
PARIS
•MONACO
•SPAIN
COSTA DEL SOL
MARBELLA - MIJAS GOLF
Scarcity is becoming an actual phenomenon for real good locations, so we are proud to offer you excellent investment opportunities in the condominium prospects on the above mentioned sites
Contact: Tel: (1) 40.67.11.11 Fax: (1) 45.01.84.58
International Sales & Marketing
François d'HAUTHUILLE
SPIE LOISIRS - SEMI
Spie Batignolles Group
65, av. d'Iena - 75116 Paris FRANCE

FRENCH PROVINCES

SOLOGNE
30 KMS GIEN
18th century estate, entirely renovated, about 250 sq.m. + guest house & caretaker's house in about 4 ha park. On edge of river. Pool, garages. Very charming.
Jean Thouard 1-45530939

REAL ESTATE FOR SALE

PARIS & SUBURBS

NEAR GARDEN OF LUXEMBOURG
Charming Parisian apartment, 5th floor, fully sunny, refined decoration, 5/6 rooms (3 bedrooms, 2 baths), fireplace, very beautiful equipped kitchen, dressing, maid's room, cellar, parking. Small charges. Exceptional. Justified price. Visit monday 2pm to 6pm. 36 RUE DE FLEURUS (6th) SERGE KAYSER (1) 43 29.60.60 Fax: (1) 43.29.52.58

VINCENNES, Bois, Metro
Exceptional Town House, grassed floor + 2 floors, about 250 sq.m. Beautiful reception, dining room, 4 bedrooms, study, full basement, garage. Veranda on garden of about 200 sq.m.
JEAN THOUARD
TEL: 45.53.09.39

BARBARA FREILING
24, 14, 6 Place Vendome
40.20.96.00
7TH, MARVELLOUS 460 SQ.M. VERY ORIGINAL LAY OUT EXCEPTIONAL VIEW - EXCLUSIVITY.

NEAR ST GERMAIN EN LAYE, ISLAND OF MIGNEAUX. Luxurious modern home directly on the river Seine, spectacular view, with private boat dock, elegant private location, 330 sq.m. + 160 sq.m. basement with 1840 sq.m. garden. SICO, 47.49.37.81.

15TH, Porte de Versailles, freestone building, 3 rooms, all comforts. FF1,450,000 Owner 42.06.89.95.

REAL ESTATE FOR SALE

PARIS & SUBURBS

BOSQUET, freestone, high close, balcony, sunny 175 sq.m. FF9,000,000. GAUSSERAND Tel: 45.51.24.70.

REAL ESTATE TO RENT/SHARE

GREAT BRITAIN

LONDON LUXURY apartments in all central areas, including Mayfair + Knightsbridge. Minimum stay 3 nights, cheaper than luxury hotel. Discount for longer stays. Driver will meet your flight at Gatwick or Heathrow. M P Estates. Tel (1) 499 2154 anytime.

MONACO

PRINCIPALITY OF MONACO
SUPERB 4-ROOM APARTMENT
for rent in new prestigious building. 308 sq.m., large living room, 3 bedrooms, 2 bathrooms, shower room, dressing room, fully equipped kitchen, luxury finishes and fittings, air conditioning, 3 parking spaces, 3 storage cellars, spacious balconies offering views of the Mediterranean and the Cap Martin
AGEDI
26 bis, Bd Princesse Charlotte MC 98000 MONACO
Tel: 93.50.64.00. Telex: 479417 MC
Fax: 93 50 19 42

PARIS AREA FURNISHED

A NEW WAY OF STAYING IN PARIS
LE CLARIDGE
FOR 1 WEEK OR MORE
High class studio, 2 or 3-room apartments. FULLY EQUIPPED IMMEDIATE RESERVATIONS
Tel: 43 59 67 97

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

Rent a FLAT or an OFFICE in Paris. By day or more With all possible hotel services Housekeeping, room service...etc Studio up to 5 rooms,
FLATOTEL TOWER
on the River Seine, right beside the Eiffel Tower.
FLATOTEL EXPO a few meters from the exhibition center Porte de Versailles.
For more information Call 45 77 05 55

AT HOME IN PARIS
SHORT OR LONG TERM
apartments for rent furnished or not
PARIS PROMO
Estate Agent - Property Manager
25 Ave Hoche, 75008 Paris. 45 63 25 60

81 AVENUE FOCH
LUXURIOUS STUDIOS
Phone, color TV, kitchen. Short term lease. No agency fees. FF900 monthly. To visit, tel: 43 59 66 72

INTER URBIS
UNFURNISHED/FURNISHED RENTALS
FLATS & HOUSES FOR SALE
31 rue de Monceau, Paris 8th.
Tel: 45 63 17 77

AVE MONTAIGNE
Luxury apartment. Living room, bedroom, etc. FF 26,000/mo. Long lease preferred. Tel: 212-980-1699 mornings - New York time.

RESIDENCE CITY
THE VERY BEST RENTALS
Phone Paris 45 27 12 19

JULY/AUG. 7th Musee d'Orsay & Louvre. Superb triplex, lovely details, quiet, 2 bedrooms (sleeps 6), big kitchen. Maid. FF9,500/mo. 42612884

PARIS LA DEFENSE, very luxuriously furnished 4 room apartment, 2 baths, fully equipped kitchen, beautiful view, T.V., parking. Tel: 40.90.13.99.

16th, VICTOR HUGO, very beautiful living, dining, 2 bedrooms, 2 baths, lovely furniture, elegant building, sunny, quiet. FF8,000. 47.20.37.99.

PARIS BIENVENUE. Furnished studios and apartments in central Paris, nightly, weekly, monthly. 47 53 80 81.

LATIN QUARTER 2-room flat in town house, kitchen, bath, sunny, view, heating, quiet. Owner 43.54.65.69.

HIGH STANDARD furnished apartments. Best areas. From 3 months to 3 years. Exclusive. Tel: 47.53.86.38.

PARIS LATIN QUARTER studio, kitchenette, bath. Available 1st October. F2500/month net. 45 25 32 02.

BASTILLE 100 sq.m. apartment in 18th cent. building on courtyard. July/Aug. 51300 per month. Paris (1) 43.40.44.17.

6th, LEFT BANK, RUE DAUPHINE. Studio, fireplace. F3000. Telephone: 46.34.66.18.

6th SUPER LEFT BANK, location, July - Aug., 85 sq.m., sunny 3 rooms + dinette in kitchen, view. Tel: 46.33.87.62.

SENSATIONAL FLAT: large terrace, Figaro, in private street, about 190 sq.m. FF10,000. Tel: 47 34 16 92

RUE ST LOUIS, charming 60 sq.m., Quai d'Orleans on Seine. Tel: 43 77 27 06 or 42 88 29 74.

ON SEINE, LUXURIOUS 5-ROOM duplex, exceptional, FF5,500. Tel: 42.54.17.22.

REAL ESTATE TO RENT/SHARE

PARIS AREA FURNISHED

16th, TROCADERO, beautiful double living, 2 bedrooms, luxury kitchen & bath, great charm. FF12,000. 4720 3797

MONTMARTRE. JULY & AUGUST. Large 2-room, all comforts, calm F4000/mo. 42.55.69.20 [in French]

PARIS AREA UNFURNISHED

Embassy Service
8 Ave. de Messine
75008 Paris
YOUR REAL ESTATE AGENT IN PARIS
45.62.30.00
FAX 42.89.27.54

VERY NEAR AVE. FOCH. Modern high class building, 2 rooms, luxurious apartment, completely redone, equipped kitchen, 4th floor. Justified high price. Tel: 45 00 33 02 office.

16th, SUCHET, large elegant double living, formal dining, 4 bedrooms, 3 baths, well equipped extra kitchen, sunny, parking. F20,000. 47.20.37.99

ST GERMAIN EN LAYE, RER, Chateau, new 4-room, 110 sq.m., high class, sun, east-west, private garden. FF3,000/month. 35.51.62.27.

17th - PEREIRE - VERY BEAUTIFUL living + 2 bedrooms. FF4,000. Tel: 42.67.21.44.

EMPLOYMENT

EXECUTIVES AVAILABLE

CHINOIS DE SINGAPOUR, 32, ingénieur en informatique, théâtre cafe de travail française recherche poste marketing Asie-Pacifique. Expérience responsable marketing données télécom Sud Est Asie, trilingue français/anglais/chinois. Expatriation possible. Ecrire NSI, IHT Box 1466, Robinson Rd, Singapore 9029.

EDUCATIONAL POSITIONS AVAILABLE

CHERCHE Professeur Principal pour petite école de langues avec filiale à l'étranger. Doit être très bien organisé avec expérience d'enseignement d'anglais des affaires aux adultes. Anglophone, résidant Paris. CV, photo à Box 0840, Herald Tribune, 92521 Neuilly Cedex, France.

DOMESTIC POSITIONS AVAILABLE

HIGHLY QUALIFIED GOVERNESS wanted for two children, ages 4 and 3. Extensive travel in Europe, U.S.A. Serious references absolutely required. Reply Box 0820, Herald Tribune, 92521 Neuilly Cedex, France.

DOMESTIC POSITIONS WANTED

I AM AMERICAN BABYSITTER, experienced, mature. Hourly work. Call mornings Paris 43 80 15 54

AUTO SERVICES

LICENSE PLATES original! Fast reliable. Pershon, PO 2477, 6901 Lugano Switzerland. Tel (91)234126, Tlx 844091 Fox(91)239747. We also insure any car.

Pages 6 & 13 FOR MORE CLASSIFIEDS

BUSINESS OPPORTUNITIES

OFFSHORE & UK LTD COMPANIES
Incorporation and management in UK, Isle of Man, Gibraltar, Turks, Angelia, Panama, Liberia, Channel Islands, & most other offshore areas
• Confidential advice
• Nominee services
• Residence/Immigration
• Boat registration
• Accounting & Administration
• Mail, telephone & telex
Free explanatory booklet from: INTERNATIONAL COMPANY SERVICES LTD
Sovereign House, Station Road, St Johns, Isle of Man
Tel: (0624) 71681
Fax: (0624) 71800
Telex: 628554 ICSIOM G
London Representative
26 Old Bond St., London W1
Tel: 01-493 4344, Tlx: 28247 ICSLDN G
Fax: 01-491-0405

SEARCHING COLLABORATION to set up plants for processing and recycling used lubricants in a cost effective manner in India. Please send details with advantages of know how and technology to: Mr. A.K. Mitra, Berkeley Square House, London W1X 6EY, UK. Tlx 5148 - 3260 - 3079 SONANG AN

BUSINESS OPPORTUNITIES

INTERNATIONAL OFFSHORE COMPANY INCORPORATIONS FROM US$190
Comprehensive, professional services include nominees, Representative offices, Powers of attorney, telex, telephone Fax, mail forwarding worldwide Island Resources Nolicod House, Santon, Isle of Man Phone: (0624) 824555 Tlx 628352 Island G. Fax: (0624) 822849

OFFSHORE COMPANIES
• Free professional consultations
• Worldwide incorporations
• Immediate availability
• Full confidential services
• London representative
• Full administration services
Aston Company Formation Ltd., 19 Peel Rd. Douglas, Isle of Man Tel 0624 26991 Tlx: 627491 ASTON Fax: 0624 25126

2ND TRAVEL DOCUMENTS. Id's-Drive Licenses/Degrees/Any Country. GM 26 Kleomenous, Athens 10675 Greece

HONG KONG CORP., $360. Annual cost $315. SR Ltd. 701, 25 Queen's Rd, HK. Tlx 83870. Fax 852-5-8400217.

LETTERS OF CREDIT SEARCHED, DM120 m, for trade project. Backed up. IH-trade. Fax 0049- 2117108223

OFFICE SERVICES

YOUR OFFICE in PARIS
Is ready when you need it, even for a couple of hours.
• fully functional modern offices and conference rooms to rent by the hour, day, month, etc...
• Your tactical or permanent base
• Prestige mailing address. All services
BOSS BURO EXPRESS
91, Fg St-Honore 75008 PARIS
Tel: 42.66.90.75. Fax: 42.66.15.60

OFFICE SERVICES

SWISS OFFICE IN THE CITY OF ZURICH
is able to offer vacancies to companies/businessmen requiring secretarial services, such as correspondence, contact addresses, mail box, phone, fax, etc.
Call J. GUEUBERT,
Nuschelerstr. 25, 8001 Zurich.
Tel: 01/211 54 84, Fax: 01/211 34 13.

FINANCIAL SERVICES

Hard to Borrow?
Guaranties Provided
We do not make loans
Minimum: $100,000
TERMS: 5 - 20 YEARS
THE FUNDING ASSISTANCE CORP
USA (212) 755-9400
Tlx 910290669 Funding Assist UQ
FAX: 212-935-7539

BUSINESS SERVICES

CANADA
CONSULTATIONS & SERVICES for:
Your Projects for Immigrations, Investments, setting up business, real estate. Can offer complete office, localisation and adaptable office services, for your needs. Please contact:
FERCORP SERVICES INC.
2260 Victor Doré,
Montreal H3M 1S7, Quebec, Canada.
Tel: 514 333 4567 or 514 337 8445
Fax: 514 333 1919. Tlx: 5829372 Cover

LONDON ADDRESS BOND STREET. Mail, Phone, Fax, Telex, Conference room. Call 01-499-9192. Tlx 262690.

Entitled to a tax-free car? Contact Saab.
You can make substantial savings on the price of a new Saab if you are on international assignment, or due to be posted abroad. Contact Saab International and Diplomat Sales for full details of our range and our special program.
Please send me more information about the Saab range and the Saab International and Diplomat Sales program.
Name
Address
City Zip code Country
Country of first use
SAAB
Saab-Scania AB, Saab Car Division International and Diplomat Sales S-611 81 Nyköping, Sweden Telefax: + 46 155 44308
IHT 5/06/89

Chopard
GENÈVE

You will never have to take off your "LUNA D'ORO SPORT". It has been conceived to accompany you to any occasion, fearing neither shocks nor a quick dive into the waves. A solid 18 ct. gold casing, sapphire crystal and a screw down crown thoroughly protect the precious "secret"– the mechanical movement consisting of over 200 individual parts, handcrafted with infinite love of perfection according to the CHOPARD tradition since 1860. The "LUNA D'ORO SPORT" is available in solid 18 ct. gold (Ref. 36/1162) or stainless-steel/18 ct. gold (Ref. 36/8139). Automatic movement, waterproof up to 100 meters.

Modèle déposé

available at leading jewellers worldwide
Chopard & Cie S.A., 8, rue de Veyrot, 1217 Meyrin-Genève, tél. (22) 821717

Imprimé par Offprint, 73 rue de l'Evangile, 75018 Paris.